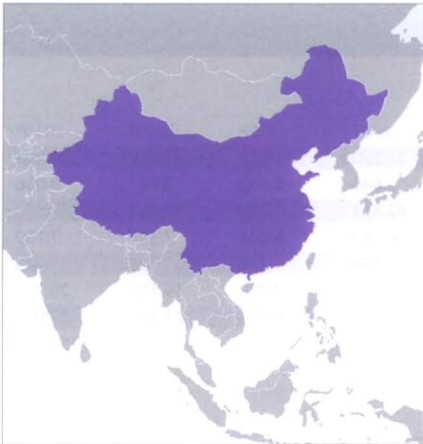


# CHINA



## AT A GLANCE

**Capital:** Beijing  
**Population:** 1,338,612,968  
(July 2009 est.)  
**Median age:** 34.1 years  
**GDP:** \$4.327 trillion (2008 est)  
**Language:** Standard Chinese or Mandarin  
**Other languages:** Yue (Cantonese),  
Wu (Shanghainese), Minbei (Fuzhou),  
Minnan (Hokkien)  
**Literacy:** 90.9%  
**Currency:** Renminbi (RMB), also referred to by  
the unit yuan (CNY)



## COMMENTARY

*By Didier Guérin, President & CEO, Media Convergence Asia Pacific*

China is the world's largest exporter of manufactured goods. It is the biggest car market and it is expected to pass Japan in 2010 as the second largest economy. The Chinese economy expanded by 8.7 per cent last year and it is expected to grow again at a double digit figure in 2010. Chinese gross domestic product has grown at an average rate of 9.7 per cent for the past 30 years.

China is expected to experience a growth in magazine advertising spending between 2 per cent<sup>1</sup> and 7.1 per cent<sup>2</sup>. Advertisers in China want magazines to expand their distribution outside Beijing, Shanghai and Guangzhou (ex Canton) and to reach new consumers with a growing disposable income in the second-tier cities. This is a challenge that magazine publishers are starting to tackle: the distribution network is fragmented and the only national distributor remains the Post Office, which operates 47,000 magazine points of sales in the country.

As in most countries, 2009 was a difficult year for magazine publishers in China, with advertisers appearing nervous about the uncertainty of the economy. Two reasons caused an early slow-down in advertising spending. Although there was no significant

drop in consumption in China at the beginning of last year, the international headquarters of advertising agencies and clients required their Chinese subsidiaries or distributors to cautiously cut costs.

At the same time, a few large cosmetics groups decided to shift part of their advertising budgets to television, a decision which was quickly followed by several other advertisers. And since it takes a large chunk of a magazine budget to create a small television budget, publishers suffered.

The most affected initially were the newcomers to the market like Femina (launched locally and operated by Hachette Filipacchi Medias), Grazia (launched by SEEC with Mondadori), U+ (Modern Media Group) and Madame FIGARO (Fung Choi Media). However, by the fourth quarter, magazine advertising spending started to come back, which was the time when GQ (operated by Condé Nast) was launched, following the appearance of another up-market men's magazine Leon (published by China Light Industry in association with Gruner + Jahr).

Magazine publishers in China face serious competition from the online sector, which attracted about RMB20 billion in ad spend in

2009 (about seven times the amount collected by magazines). China's internet population – which is now larger than that of the US – grows by about five million each month. It reached a total of 384 million users at the end of 2009 (70 per cent of them have broadband connection).

As the Chinese economy will most likely lead the world economic recovery in 2010 – the year of the Tiger – the long term prospects of the country have never been so strong. Professor Robert Fogel, of the University of Chicago and winner of the 1991 Nobel Prize in Economics, believes the Chinese economy will reach US\$123 trillion in 2040, or about three times the 2000 total world economic output.

He writes: "China's per capita income will hit US\$85,000 [in 2040] – more than double the forecast of the European Union and also much higher than that of India and Japan". Although "it will not have overtaken the United States in per capita wealth", China is becoming wealthier and will become the biggest consumer market in the world after the US.

This situation creates plenty of opportunities for magazine publishers and advertisers.

<sup>1</sup> ZenithOptimedia, December 2009.

<sup>2</sup> GroupM, This Year Next Year, Autumn 2009

## FIPP MEMBERS

### ASSOCIATIONS

» China Periodicals Association (CPA)

### PUBLISHERS

» Children's Fun Publishing  
» Condé Nast China  
» Gruner + Jahr (Beijing) Advertising Co.  
» Hachette Filipacchi Medias China

» M Media Group  
» Rayli Magazine House  
» Reader's Digest Shanghai  
» Ringier Pacific  
» Rizzoli Beijing  
» SEEC Media

### SUPPLIERS

» BPA Worldwide China  
» E-Books Systems Science & Technology Development  
» Media Convergence Asia Pacific  
» Media Pacific

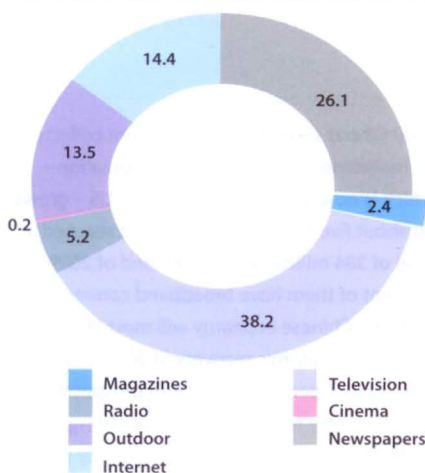
## ADVERTISING DATA

### ADVERTISING EXPENDITURE BY MEDIUM (RMB: m)

	2001	2002	2003	2004	2005	2006	2007	2008	2009*	2010*
Newspapers	15,771	18,848	24,301	23,073	25,605	31,259	32,220	34,267	32,554	30,275
Magazines	1,186	1,520	2,438	2,034	2,487	2,410	2,646	3,102	2,947	3,006
Television	17,937	23,103	25,504	29,154	35,529	40,402	42,495	50,150	54,664	62,863
Radio	1,886	2,190	2,557	3,293	3,886	5,719	6,282	6,834	7,381	7,750
Cinema	78	105	123	142	154	171	198	238	226	244
Outdoor	5,613	5,087	8,585	12,369	12,590	14,377	19,584	17,770	19,192	20,727
Internet	440	610	1,310	2,340	4,070	7,050	12,220	18,941	21,782	27,010
Total	42,911	51,463	64,818	72,406	84,321	101,389	115,645	131,302	138,744	151,874

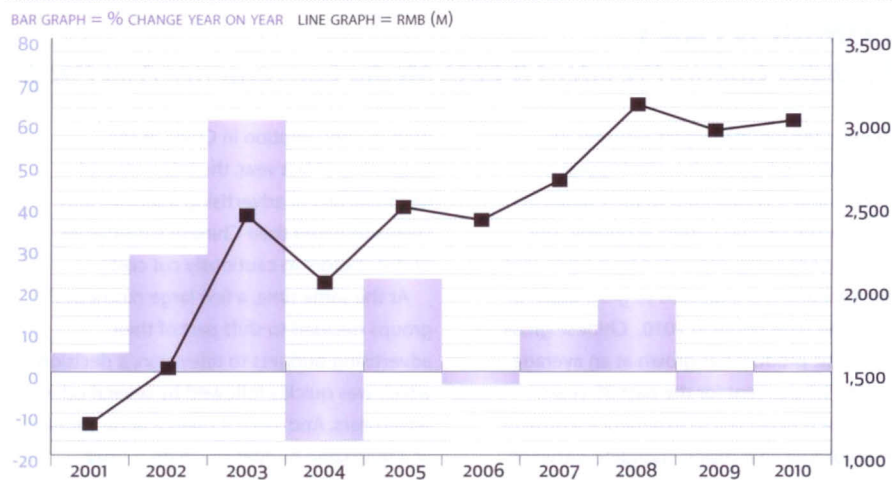
Source: ZenithOptimedia. \* projected figures

### SHARE OF ADSPEND (%)



Source: ZenithOptimedia

### MAGAZINE ADSPEND GROWTH 2001-2010



Source: ZenithOptimedia

### TOP 10 ADVERTISERS (CONSUMER)

Procter & Gamble
Harbin Pharmaceutical Group
Unilever
L'Oréal
Yum Brands
Coca-Cola Co.
Hangzhou Wahaha Group
Ting Hsin International Group
China Mobile
PepsiCo

Source: Nielsen Co.

### TOP 10 ADVERTISING CATEGORIES (CONSUMER)

Pharmaceuticals and health products
Toiletries
Beverages
Business/industrial/agriculture
Food
Retail and services
Household
Automotive
Property
Clothing and accessories

Source: Nielsen Co.

## MAGAZINE DATA

### MAJOR MAGAZINE PUBLISHERS/OPERATORS

China Light Industry / Rayli / Gruner + Jahr
Condé Nast
Hachette Filipacchi Medias
IDG
IDG - Trends Group - Hearst
Modern Media
Nanfeng Daily News
SEEC Media Group
Shanghai Media and Entertainment Group
Trends Group

Source: Media Convergence

## MAGAZINE DATA

## MAJOR MAGAZINE TITLES (CONSUMER)

	Publisher / Operator	Frequency	Circulation (000s)	Audited?	Cover Price (RMB)
<b>WOMEN'S MONTHLIES</b>					
Elle – World Fashion (Shijie Shizhuang zhi Yuan)	Shanghai Translation Publishing/Hachette Filipacchi	Monthly	615	No	20
Marie Claire	China Sports Publications Corp/Hachette Filipacchi	Monthly	438	No	20
Vogue	China Pictorial/Conde Nast	Monthly	525	No	20
Self	Women of China/Conde Nast	Monthly	580	No	20
Trends Bazaar (Shishang Basha)	Trends Group	Monthly	450	No	20
Trends Cosmopolitan (Shishang Yiren)	Trends Group	Monthly	1,000	No	20
Ray-li Fashion & Beauty (Ruili Fushi Meirong)	China Light Industry Publishing/Rayli Magazine House	Monthly	980	No	20
Ray-li lady (Ruili Yiren)	China Light Industry Publishing/Rayli Magazine House	Monthly	831	No	20
Madame Figaro (Hong)	China Youth Press/FCM	Monthly	390	No	20
Modern Bride (Xin Niang)	China Council For The Promotion of Int'l Trade/Condé Nast	Monthly	500	No	20
Good Housekeeping (Hao Guanija)	Trends Group	Monthly	472	No	20
InStyle (Xingshidai)	Shanghai Literature & Art Publishing/SCMP Publishing	Monthly	405	No	20
Vivi (xinwei)	China Textile & Apparel Press/Beijing Boda Media	Monthly	380	No	20
Mina	Henan Federation of Literary and Art Circles/Shanghai Wenxin	Monthly	450	No	20
<b>WOMEN'S FORTNIGHTLIES</b>					
Grazia (Hongxiu)	Heilongjiang Women Organization/SEEC Media Group	Fortnightly	400	No	10
<b>WOMEN'S WEEKLIES</b>					
U+ (Ujia)	LingNan Art PublishingHouse/Modern Media	Weekly	830	No	3
Femina (Yizhou)	Shanghai Translation Publishing/Hachette Filipacchi	Weekly	700	No	3
Modern Weekly (Zhoumohuabao)	LingNan Art PublishingHouse/Modern Media	Weekly	596	No	5
The Bund (Waitanhuabao)	Wenhui-Xinmin United Press Group	Weekly	518	No	3
<b>MEN'S</b>					
GQ (Zhizu)	China News/Conde Nast	Monthly	400	No	20
Trends Esquire (Shishang Xiansheng)	Trends Magazines	Monthly	680	No	20
Trends Men's Health (Shishang Jiankang Nanshi Ban)	Trends Magazines	Monthly	521	No	20
FHM – Men's Fashion (Nanren Zhuang)	Trends Magazines	Monthly	600	No	20
Men's Uno (Darenzhi)	Culture & Art of China	Monthly	378	No	20
Bazaar Men	Trends Magazines	Monthly	450	No	20
Rayli Leon	China Light Industry Publishing/Rayli Magazine House	Monthly	536	No	20
Mangazine (Minpai)	Nanfeng Daily	Monthly	200	No	30
Maxim Your Life (Fengdu)	China International Publishing Group/SCMP Magazine Publishing	Monthly	420	No	20
Mr. Modern (Modeng Shenshi)	China Sports Publications Corp/Hachette Filipacchi Medias	Monthly	n/a	No	20
L'Officiel Hommes (Shizhuang Nashiban)	China International Business and Economics Press /L'Officiel China	Monthly	350	No	20
His Life (Tashenghuo)	Xinjiang Federation of Literary and Art Circles/SEEC Media Group	Monthly	320	No	20
<b>GENERAL</b>					
Reader (Duzhe)	Gansu People's Press/Duzhe	Weekly	4,500	No	3
Reader's Digest(Puzhi)	Shanghai Press & Development Co.	Monthly	500	No	12
Bosom Friend (Zhiyin)	Bosom Friend Publishing	Fortnightly	3,150	No	3.9
Stories (Gushi Hui)	Shanghai Literature & Arts Publishing	Fortnightly	5,400	No	3
Chinese National Geography (Zhongguo Guojia Dili)	Chinese Academy of Sciences/Chinese National Geography Press	Monthly	1,000	Yes	20
Trends Travel (Shishang Luyou)	Trends Magazines	Monthly	494	No	20
National Geographic (Huaxia Dili)	Trends Magazines	Monthly	580	No	20
Ideas (Yi Lin)	Changchun Literary Association	Monthly	800	No	4
City Weekend (Chengshi Zhoubao)	China Encyclopedia Press/Ringier	Monthly	50	Yes	5
Time Out (Le)	China Light Industry Publishing/SEEC Media Group	Fortnightly	96	No	10
<b>CONSUMER SPECIAL INTEREST</b>					
Trends Home Deco (Shishang Jiaju)	Trends Magazines	Monthly	363	No	20
Ray-li Deco (Ruili Jiaju Sheji)	China Light Industry Publishing/Rayli Magazine House	Monthly	305	No	20
ELLE Deco	Shanghai Translation Publishing House/Hachette Filipacchi Medias	Monthly	415	No	20
Better Homes and Gardens	SEEC Media Group	Monthly	100	No	20
Watches – Trends Time (Shishang Shijian)	Trends Magazines	Monthly	375	No	25
Betty's Kitchen (Beitai Chufang)	Chinese Institute of Food Science and Technology/Ringier	Monthly	276	No	8
PC Magazine (Geren Diannao)	Nankai University/SEEC Media Group	Monthly	126	No	10
PC World (Wei Diannao Shijie)	China ComputerWorld Publishing/IDG	Monthly	145	No	12
Computer Fans (Diannao Aihao Zhe)	China ComputerWorld Publishing/IDG	Fortnightly	400	No	5
MicroComputer (Weixing Jisuanji)	Ministry of Science and Technology SW Info Center/ Chongqing Yuanwang Information Technology Limited	Fortnightly	500	No	15

## MAGAZINE DATA

## MAJOR MAGAZINE TITLES (CONSUMER)

	Publisher / Operator	Frequency	Circulation (000s)	Audited?	Cover Price (RMB)
<b>AUTOMOTIVE/MOTOR RACING/MOTORCYCLE</b>					
Auto, Motor & Sports (Qiche Bolan)	Sichuan Association of Automobile Industry/Qiche Bolan Press	Monthly	300	No	15
Auto Magazine (Qiche Zazhi)	Sichuan Machinery Industry Federation/Qiche Zazhi Press	Monthly	529	No	15
Motor Trend (Qiche Zu)	People's Daily/Qiche Zu Press	Monthly	300	No	18
Auto Fans (Qiche zhi You)	Society of Automotive Engineers of China/Autofan Press	Monthly	350	No	10
Top Gear (Qiche Ceshi Baogao)	Beijing Association For Science And Technology/OMG	Monthly	208	No	20
Autocar (Donggan Jiaqu)	China Translation and Publishing Corp/SEEC Media Group	Monthly	300	No	20
AutoStyle (Zuojia)	Sichuan Auto Repair & Parts Association/Trends Magazines	Monthly	300	No	15
China Auto Pictorial (Zhongguo Qiche Huabao)	China Automobile Industry Technology Info Center/SEEC Media Group	Monthly	164	No	18
Car And Driver (Mingchezhi)	Shanghai Translation Publishing House/Hachette Filipacchi Medias	Monthly	308	No	15
<b>HEALTH</b>					
Woman's Day (Jiankang zhi You)	China Sports Publishing//Hachette Filipacchi	Monthly	848	No	12
Trends Women's Health (Shishang Jiankang Nushi Ban)	Trends Magazines	Monthly	868	No	20
Shape (Ti Xian)	China Light Industry Publishing/Gruner + Jahr	Monthly	236	No	16
Shaping and Fitness (Jianyumei)	New Youth Periodical Publishing Group/China Sports Publications	Monthly	300	No	12
Smart Kids (Congming Baobao)	China Women and Children Development Center	Monthly	250	No	12
Parents (Fu Mu)	China National Children's Center/Gruner+Jahr	Monthly	329	No	15
Baby World (Baobei Shijie)	China National Children's Center/Gruner+Jahr	Monthly	428	No	6
Mumbaby (Mami Baobei)	Beijing Women's Association/Beijing Mumbaby Publishing	Monthly	453	No	12
Health for Aging People (Zhong Lao Nian Baojian)	Sino-Japan Friendship Hospital	Monthly	200	No	6.3
Popular Medicine (Dazhong Yixue)	Shanghai Scientific & Technical Publishers/Shanghai Century Publishing	Monthly	300	No	6.5
Psychology (Xinli Yuekan)	China Sports Publications Corp/Hachette Filipacchi Medias	Monthly	720	No	20
<b>FINANCE/BUSINESS/NEWS</b>					
Caijing	SEEC Media Group	Fortnightly	225	No	10
CBNWeekly	Shanghai Media And Entertainment Group	Monthly	200	No	
Fortune	CCI Asia-Pacific Ltd.	18 per year	180	Yes	Free
Forbes	Morningside Business Publishing	Monthly	158	Yes	Free
Business Circle (Shang Jie)	Business Circle Press	Monthly	140	No	20
Global Entrepreneurs (Huanqiu Qiyejia)	China Literary Association	Fortnightly	112	Yes	20
Business Week China (Shangye Zhoukan)	Business Week China	Monthly	438	Yes	10
Harvard Business Review (Shangye Pinglun)	Social Sciences Academic Press China	Monthly	125	Yes	70
PKU Business Review (Beida Shangye Pinglun)	Beijing University Press	Monthly	95	No	80
New Century Weekly	China Institute for Reform and Development Hainan/Caixin Media	Weekly	n/a	No	10
Sanlian Life Week (Sanlian Shenghuo Zhoukan)	San Lian Bookstore Publishing	Weekly	365	No	10
Southern People's Weekly (Nanfang Renwu Zhoukan)	Nanfang Daily News	Every 10 days	582	No	8
China News Weekly (Zhongguo Xinwen Zhoukan)	China News	Weekly	400	No	8
Oriental Outlook (Liaowang Dongfang Zhoukan)	Oriental Outlook Media/Xinhua News	Weekly	280	No	6
South Window (Nan Feng Chuang)	Guangzhou Daily News	Fortnightly	622	No	8
New Weekly (Xin Zhoukan)	Guangdong Publishing/Times Net Media	Fortnightly	310	No	15
Vista (Kan Tianxia)	Ningxia Daily Newspaper Group	35 per year	542	No	9
Finance & Accounting (Caiwu yu Kuajiji)	China Finance Press	Monthly	290	No	6.5
Internet Week (Hulianwang Zhoukan)	Science Press	Weekly	150	No	6.5
CEO & IO (IT Jingli Shijie)	Computerworld Publishing & Servicing	6 per year	120	Yes	10
Auto & Parts (Qiche yu Peijian)	Shanghai Oriental Auto Magazine Press	Weekly	95	No	5
China Finance (Zhongguo Caizheng)	China Finance Press	Monthly	90	No	6
SP (Jisuanji Chanpin yu Liutong)	Tianjin Computer Institute	Monthly	90	No	-
China Digital TV (Zhongguo Shuzi Dianshi)	Computerworld Publishing & Servicing	Monthly	80	No	10
iCafe (Tianxia Wangba)	Tianjin Computer Institute	Monthly	68	No	10
CFO World (Shouxi Caiwu Guan)	Computerworld Publishing & Servicing	Monthly	50	No	20
China Roads (Zhongguo Gonglu)	Chinese Society of Road Construction	6 per year	42	No	8
EEPW (Dianzi Chanpin Shijie)	ISTIC	6 per year	40	Yes	8
Telecom World (Tongxun Shijie)	ISTIC	Monthly	32	Yes	10
EDA (Dianzi Sheji Yingyong)	ISTIC	Monthly	30	Yes	8

Source: Media Convergence Asia Pacific, from publishers statements, Jan 2010

Notes: The list of top magazines is not complete, because some publishers declined to disclose circulation figures or could not be contacted. Some magazines whose circulation figures are not within the top ten but are independently audited are listed.