

2021

Advertising
Expenditures
in Japan

Contents

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About Dentsu's Advertising Expenditures in Japan

Dentsu's annual report on advertising expenditures in Japan is an estimate of advertising spending in Japan during the calendar year (January to December), representing the advertising media fees and production costs for the traditional media (newspapers, magazines, radio, and television), along with those for the Internet and promotional media categories. It is prepared in cooperation with media companies, production companies, advertising agencies, and various other organizations. Advertising expenditures in the traditional media are also broken down into estimates for 21 industry categories.

Dentsu had used the same methods and category scope in its estimate of expenditures from 1947 through 1986, but in 1987 the scope of the report was expanded beyond the four traditional media, and figures were revised retroactively to 1985. The scope of estimates was revised again in the 2007 report, with figures revised retroactively to 2005. After Japan switched from analog to terrestrial digital broadcasting in 2011, televisions capable of receiving both terrestrial and satellite broadcasts became the norm. Therefore, starting in 2014, advertising expenditures in Television were redefined to include expenditures in both Terrestrial Television and Satellite Media-related advertising. The estimates for digital advertising carried by traditional media companies were included in the report for the first time in 2018, and the provisional estimates for 2017 are not disclosed. The estimates for advertising expenditures for Merchandise-related EC Platforms and Events within Advertising Expenditures in Japan were included in the report for the first time in 2019.

I. Overview of Advertising Expenditures in Japan for 2021

Total advertising expenditures amount to ¥6,799.8 billion

In 2021, advertising expenditures in Japan increased 10.4% year on year to ¥6,799.8 billion, indicating a recovery in the advertising market due to the weakening impact of the COVID-19 pandemic. Internet advertising expenditures surpassed Traditional Media advertising expenditures for the first time, driving the recovery of Japan's overall advertising market. Expenditures for Digital Advertising Carried by Traditional Media Companies surpassed the ¥100 billion mark for the first time.

Broad Trends in Advertising Expenditures in 2021

1. In 2021, total advertising expenditures amounted to ¥6,799.8 billion (up 10.4%). As in 2020, expenditures were significantly impacted by the COVID-19 pandemic in the first half of 2021, during which the Japanese government responded to the spread of infections by declaring a state of emergency and implementing quasi-emergency measures. In the second half, business and consumer sentiment improved amid progress in the COVID-19 situation. Against that backdrop, Television advertising expenditures recovered and Internet advertising expenditures increased at an accelerated pace, driving up growth in advertising expenditures overall. The recovery in demand for advertising was also given a boost by the 2020 Tokyo Olympic and Paralympic Games. From October, results in many advertising media clearly improved as limits on attendance at concerts, sporting events, theme parks, and so on, were gradually eased, and the economy and flows of people began returning to normal. Meanwhile, the number of hybrid events, combining live and online activities, steadily increased and live events started to be held as measures were put in place to prevent the spread of COVID-19 infections. Among such events, the holding of large-scale sporting events, in particular, provided grounds for optimism.
2. Internet advertising expenditures increased 21.4% year on year to ¥2,705.2 billion, maintaining the high rate of growth recorded since Dentsu began estimating results in 1996 for these expenditures. For the first time, Internet advertising expenditures exceeded Traditional Media expenditures, which amounted to ¥2,453.8 billion (up 8.9%). The market grew thanks to substantially higher demand for video advertising, particularly on video-streaming services, along with the greater use of digital promotions. Meanwhile, in response to growing calls from the public to provide a wider audience with a balanced amount of information about COVID-19 and related matters, the Internet as well as other types of media have been steadily deployed for this purpose during the pandemic.
3. Expenditures for Digital Advertising Carried by Traditional Media Companies surpassed the ¥100 billion mark for the first time, after having posted double-digit growth for three consecutive years since 2018, the first year for which Dentsu estimated expenditures in this category. These expenditures are for advertising through Internet media services, mainly provided by newspaper, magazine, radio, and television companies. These organizations have been leveraging their editorial and production expertise to offer rich content and expand various services, including video and audio streaming, as well as online events.

Advertising Expenditures by Medium for 2021

| Media | Advertising Expenditures (¥ billion) | YOY Comparison Ratio (%) | Component Ratio (%) |
|---|---|--------------------------|---------------------|
| Traditional Media | | | |
| Newspapers | 381.5 | 103.4 | 5.6 |
| Magazines | 122.4 | 100.1 | 1.8 |
| Radio | 110.6 | 103.8 | 1.6 |
| Television | 1,839.3 | 111.1 | 27.1 |
| Terrestrial Television | 1,718.4 | 111.7 | 25.3 |
| Satellite Media-related | 120.9 | 103.1 | 1.8 |
| Subtotal | 2,453.8 | 108.9 | 36.1 |
| Internet | | | |
| Media Costs | 2,157.1 | 122.8 | 31.7 |
| Digital Advertising Carried by Traditional Media Companies | 106.1 | 132.1 | 1.6 |
| Newspapers Digital | 21.3 | 123.1 | 0.3 |
| Magazines Digital | 58.0 | 130.0 | 0.9 |
| Radio Digital | 1.4 | 127.3 | 0.0 |
| Television Media Digital | 25.4 | 146.8 | 0.4 |
| Television media-related video advertising | 24.9 | 146.5 | 0.4 |
| Merchandise-related EC Platforms within Advertising Expenditures in Japan | 163.1 | 123.5 | 2.4 |
| Production Costs | 385.0 | 113.2 | 5.7 |
| Subtotal | 2,705.2 | 121.4 | 39.8 |
| Promotional Media | | | |
| Outdoor | 274.0 | 100.9 | 4.0 |
| Transit | 134.6 | 85.8 | 2.0 |
| Flyers | 263.1 | 104.2 | 3.9 |
| Direct Mail | 344.6 | 104.7 | 5.1 |
| Free Newspapers | 144.2 | 93.7 | 2.1 |
| POP | 157.3 | 94.9 | 2.3 |
| Events / Exhibitions / Screen Displays | 323.0 | 93.0 | 4.7 |
| Subtotal | 1,640.8 | 97.9 | 24.1 |
| Total | 6,799.8 | 110.4 | 100.0 |

Economic and Consumer Trends Underlie Advertising Expenditures in 2021

1. Japanese Economy Picks Up Amid Impact of COVID-19 Pandemic

In 2021, despite the impact of the COVID-19 pandemic, the Japanese economy as a whole recovered at a moderate pace, supported by consumer consumption and private-sector capital investment. Real gross domestic product (GDP) grew 1.7% compared with calendar 2020. On a quarterly basis, GDP contracted 0.5% in the January–March quarter, edged up 0.6% in the April–June quarter, and decreased 0.7% in the July–September quarter. However, in the October–December quarter, after the Japanese government had fully lifted its state of emergency measures on October 1, GDP rose 1.3%. Nominal GDP increased 0.8%, similar to the growth rate of Japan’s total advertising expenditures as calculated in this report. (The above figures are from the government’s preliminary report on GDP issued on February 15, 2022.)

Corporate Revenues and Profits Increase

During the period from April 2021 to March 2022 (the fiscal year commonly used by companies in Japan), combined revenues and net profits of listed companies across all industries in Japan were forecast to increase 7.4% and 48.3%, respectively.

Employment Conditions Improve

Worsening employment conditions in the previous year continued into 2021 in certain industries. Nevertheless, the total number of people registered as unemployed declined from a peak of 2.11 million in May to 1.71 million in December, a decrease of about 230,000 people from the same month of the previous year. The average unemployment rate in 2021 was 2.8%, the same rate as in 2020. The ratio of job openings to job seekers averaged 1.13 in 2021, down 0.05 points compared with 2020.

Yen Depreciates, Stock Prices Reach Record Highs, and Crude Oil Prices Soar

In foreign exchange markets, the yen closed the year at ¥115.12/\$1.00 on December 30, 2021, a depreciation of approximately ¥12 compared with the 2020 closing rate. This reflected increasingly active buying of dollars and selling of yen holdings, which do not yield interest, as Japan maintained its monetary policy of ultra-low interest rates, while long-term interest rates trended upward in the United States following moves to curtail quantitative easing measures amid the country's economic recovery.

Stock prices in Japan reached a 32-year high in 2021, as the Nikkei Stock Average closed trading for the year on December 30 at ¥28,791, its highest close since 1989. This market surpassed the ¥30,000 mark in September, driven by expectations for economic stimulus measures by a new government administration following the decision by the prime minister at that time not to run for re-election. But the market then dropped around the end of November amid concerns over the Omicron variant of COVID-19.

Crude oil prices soared in 2021 as the global economic recovery drove up demand for oil, particularly in the United States and Europe where vaccine rollouts had been making good progress, and speculative investment in oil futures increased due to expectations for rising crude oil prices. In Japan, the average retail price of regular gasoline rose from ¥130 per liter in mid-January to ¥170 per liter in November. In an effort to curtail the rising price, the Japanese government released some of its oil reserves in coordination with the United States, but the price remained around ¥165 per liter.

2. Domestic Consumption Benefits Due to Growing Demand from People Staying Home During the Pandemic, But Food and Travel Industries Remain Sluggish

In 2021, department stores lost customers as people refrained from going out during the state of emergency imposed by the government. Although combined sales of established stores (those that operated over the full year) increased 4.7% compared with sales in 2020, the amount was 23.2% below sales in 2019. These results were similar to those of convenience stores, as combined sales increased 0.6% for established stores and 1.1% for all stores (including those newly opened during the year) in 2021, which reflected the poor results in 2020, but decreased 3.0% and 3.4%, respectively, compared with 2019. Meanwhile, supermarkets posted a 2.3% increase in sales on an established store basis in 2021, the second consecutive year of growth, as people tended to eat at home when anti-pandemic measures were in place, particularly during the July–September quarter. This result also reflects strong sales of clothing and home goods following weak sales in 2020.

The value of household electric appliances shipped domestically was down 0.6% in 2021, the first decrease in six years. While shipments of mainstay white goods such as air conditioners and refrigerators decreased year on year, shipments of dishwashers and washing machines benefited from an uptrend in new housing construction, and shipments of toasters and microwave ovens were brisk as people cooked more at home. The value of domestically

shipped consumer audio-visual products decreased 1.1%. Although sales of 50-inch or larger flat-panel televisions were strong, especially of those with organic electroluminescent displays, overall shipments slumped following the Tokyo Olympic and Paralympic Games.

Domestic sales of new automobiles totaled 4,448,340 vehicles in 2021, a decrease of 3.3% year on year. This total was below the 4.5 million mark for the first time since the 2011 Great East Japan Earthquake and Tsunami, when the total had come to about 4.21 million, recording a 15.1% decrease. The number of automobiles sold had been above the previous year's level until August, but the supply of new vehicles fell sharply starting in September due to shortages of semiconductors and difficulties in procuring parts. In contrast, annual shipments of drive recorders were up 16.3%, and other in-vehicle products sold briskly, including audio-visual systems and electronic toll collection systems, raising expectations for a quick recovery in production capacity in other industries.

The number of domestically shipped mobile phones totaled 13.74 million in 2021, an increase of 5.2% year on year. Of the total, 10.41 million smart phones were shipped, up 6.3%. The number of personal computers shipped domestically between April and September 2021 (the first half of the Japanese government's fiscal and school year) totaled 5.91 million, down 25.6% compared with the same period in 2020, when demand was extraordinarily high as people began working at home due to the pandemic and the government ordered large numbers of computers for schools under its GIGA program. The number of tablet devices shipped domestically between April and September 2021 came to 4.03 million, down 12.8% compared with the same period of 2020. In addition, the value of domestically shipped digital cameras (fixed-lens and interchangeable-lens models) decreased 4.8% year on year.

The number of housing starts rose 5.0% in 2021 compared with the previous year, the first increase in five years, with owner-occupied dwellings, rental units, and residential units built for sale all increasing in number. The number of condominium units put on the market increased 23.5% in the greater Tokyo urban area and 24.7% in the greater Osaka urban area. The average price of condominium units sold in the greater Tokyo urban area grew 2.9% to an all-time high of ¥62.6 million.

In the travel market, the total amount spent by travelers in Japan over the April–June quarter jumped 84.7% compared with the same period of the previous year, but then fell 20.4% in the July–September quarter as a result of the government's anti-pandemic measures. The number of overseas visitors to Japan in 2021 plummeted 99.2% compared with 2019, although the number rose slightly in the July–September quarter due to the holding of the Tokyo Olympic and Paralympic Games. Likewise, the number of Japanese people traveling overseas dropped 97.4% compared with 2019, as the market continued to face extremely difficult circumstances.

In the movie market, several hit films grossed over ¥4 billion in 2021, including the final chapter of a series of films that has been adapted from a television anime program over the past 25 years, as well as a cinematic version of a comic book story. Meanwhile, the number of people visiting theme parks gradually picked up as restrictions on attendance were lifted, but theme park operators are forecasting very low earnings.

In the food service market, the combined sales of all restaurants (including those newly opened during the year) continued on a downward trend, decreasing 1.6% compared with 2020 and 16.8% compared with 2019. While family restaurants and dinner restaurants continued to struggle in 2021, pubs and *izakaya* (Japanese-style pubs) saw sales drop 57.8%. Fast food restaurants, however, posted solid sales on the back of take-out and delivery services.

3. Hit Products Attract Significant Attention

In 2021, with circumstances unpredictable due to the substantial impact of the COVID-19 pandemic, starting in September, people expected economic activities to gradually resume. Continuing on from the previous year, businesses increasingly recognized the need to add extra value to products and services that are used at home as consumers refrained from going out during the pandemic. In this context, various items that were put on the market became hit products.

With more consumers staying indoors, hygiene products continued to evolve with a string of hit products. Among face masks, which have been indispensable during the pandemic, beaked masks became popular for their attractive appearance and comfort when worn for long periods. Consumers also turned their attention to air purifiers with combined ventilation and humidifier functions, as well as to humidifiers that release less bacteria by operating at higher speeds than conventional ultrasonic models.

As many people continued to telecommute for extended periods, products that make working from home easier and more pleasant were in demand. Items that met this demand included wireless headphones with noise-cancelling functions, and comfortable casual business suits for online meetings, which business wear retailers began offering in response to the severe impact of telecommuting on their sales.

Among food products, those featuring added benefits in addition to taste stood out, including products offering nutritional benefits, short preparation times, and new flavors. Food producers developed products to meet growing demand for food consumed at home, including ready-made meals that provide one-third of a day's essential nutrients. The market for oatmeal continued expanding from the previous year amid a growing trend to use oatmeal in a wide range of recipes. Products offering short preparation times have also been popular over the past few years, including easy-to-make gyoza (pot stickers), frozen fish that requires no thawing or preparation, and ready-to-use grated daikon packaged in a tube. Sales of all-purpose seasoning and flavoring products also increased, as they allow consumers to spice up their homemade meals with new and different flavors.

Among beverage products, solid sales growth was posted for Japan's first sugar-free beer as well as non-alcoholic high-ball drinks sold by each of the major beverage makers. Novelty products also caught the eye of consumers, including a canned beer with a top that comes off completely and a special coating inside the can that produces a head like that of draft beer served in restaurants. A number of products became topical for their focus on the UN Sustainable Development Goals and more sustainable consumption practices in the future. Among them, label-free bottled water, launched as an industry first in 2018, steadily gained more sales channels and product categories. A plastic-free shaving razor featuring a small handle made of paper also made a splash, selling out completely within three days following its release.

Meanwhile, video sharing apps became established as marketing platforms on social media due to their effectiveness in inciting consumer action and prompting people to buy products shown in trendy videos. In 2021, these apps were especially popular with Gen Z users, who are considered to be environmentally conscious digital natives. Born since the mid-1990s, members of this generation tend to be widely versed in the Internet and have used digital technologies throughout their lives.

II. 2021 Advertising Expenditures Classified by Medium

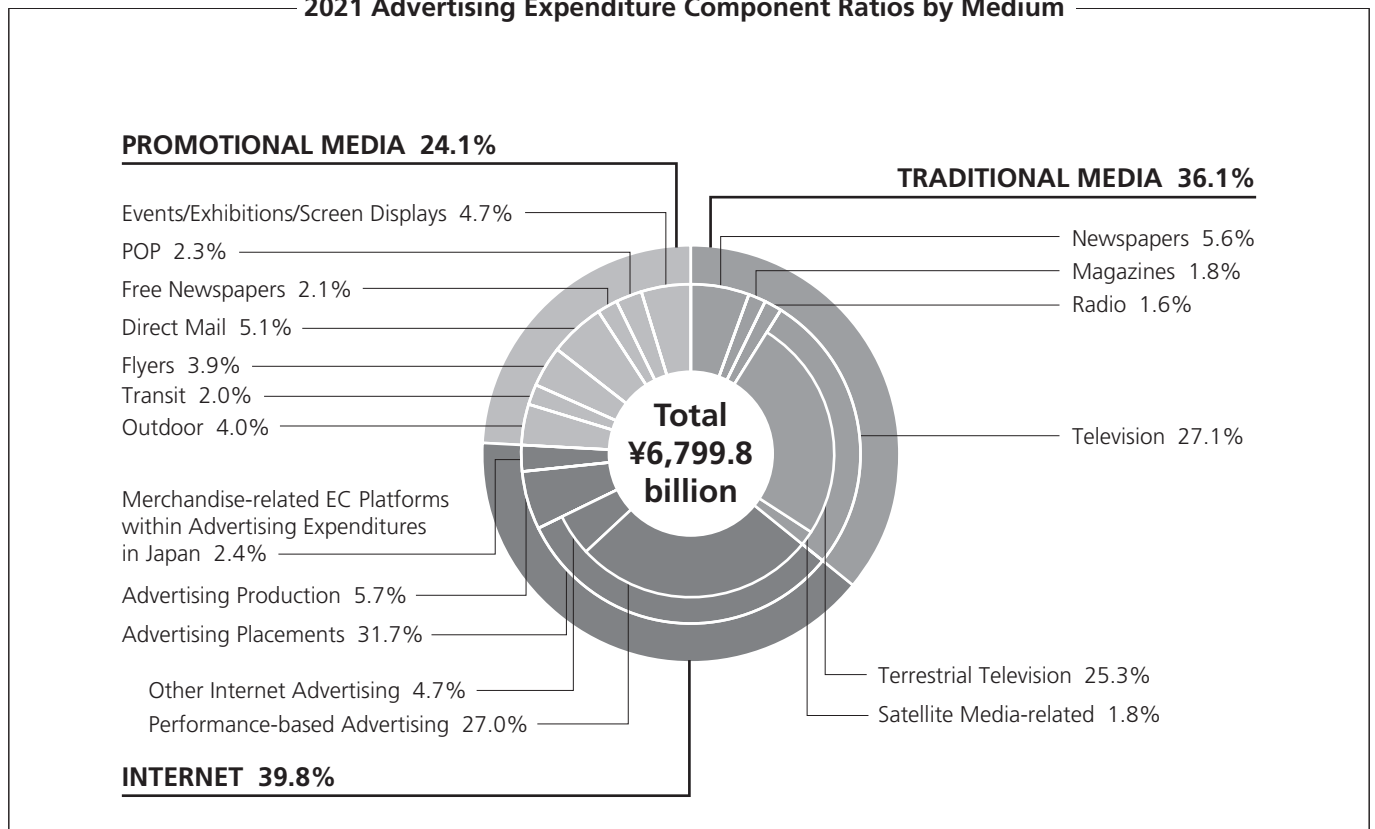
Internet Advertising Exceeds Traditional Media Advertising for First Time; Drives Advertising Market Recovery

Across almost every medium, 2021 advertising expenditures increased compared with those for the previous year. Internet advertising expenditures totaled ¥2,705.2 billion, a substantial hike of 21.4%, reflecting efforts to promote the digital transformation of Japanese society. The amount accounted for 39.8% of total advertising expenditures, the highest percentage among all media types. Of the total, Internet Advertising Medium expenditures came to ¥2,157.1 billion, up 22.8% to surpass the ¥2 trillion mark for the first time since Dentsu began compiling estimates for the medium. Of the total, expenditures for Digital Advertising carried by traditional media companies amounted to ¥106.1 billion, up 32.1%, breaking the ¥100 billion mark for the first time, after having posted double-digit growth for three consecutive years since 2018, the first year for which Dentsu estimated expenditures in this category. Within the category, Television Media-related Video Advertising expenditures shot up 46.5%, and are forecast to rise further on expectations for connected televisions to grow in popularity. Merchandise-related EC Platforms within Advertising Expenditures in Japan amounted to ¥163.1 billion, an increase of 23.5% on the back of rising demand for products and services that can be used in the home.

Meanwhile, Traditional Media advertising expenditures recovered in 2021, up 8.9% to ¥2,453.8 billion. Television advertising expenditures saw double-digit growth to ¥1,839.3 billion, up 11.1%, as Newspaper advertising expenditures rose 3.4% year on year.

In contrast, Promotional Media advertising expenditures fell 2.1% to ¥1,640.8 billion, mainly due to COVID-19 pandemic-related cancellations or the postponement of sales campaigns and events targeting large numbers of people. Nevertheless, results for the Flyers and Direct Mail categories increased year on year, reflecting strong demand from people staying home during the pandemic.

2021 Advertising Expenditure Component Ratios by Medium



Newspaper Advertising

- Newspaper advertising expenditures rose 3.4% year on year to ¥381.5 billion.
- Despite the ongoing impact of the COVID-19 pandemic, Newspaper advertising expenditures were up throughout 2021, supported by the holding of the postponed 2020 Tokyo Olympic and Paralympic Games and the 2021 House of Representatives (the lower house of the National Diet) elections.
- Among industry categories, advertising spending in the Cosmetics/Toiletries category increased 12.0%, with mail-order sales of cosmetics especially brisk amid strong demand from people remaining at home during the pandemic. Mail-order sales were also up in the Distribution/Retailing category, which grew 7.8%. The result for Transportation/Leisure edged up 0.3%, with lower spending for travel and accommodations offset by higher spending on leisure facilities and entertainment. Expenditures in the Information/Communications category fell 3.7% following an unusually high volume of ad placements in 2020; however, advertising demand continued to grow for webinars, telecommuting-related services, and online shopping sites.
- Expenditures for ads placed in national newspapers increased at a higher rate than for those placed in regional newspapers, partly because spending on national newspaper ads had decreased substantially in 2020, and ads related to the 2020 Tokyo Olympic and Paralympic Games were placed in 2021.
- Newspaper advertising expenditures are projected to remain flat in 2022. Although the pandemic has rendered many factors unpredictable, post-COVID-19 social and economic conditions should allow a number of industry categories—particularly those related to travel, leisure, and events—to experience increased advertising demand.

Magazine Advertising

- Magazine advertising spending increased 0.1% year on year to ¥122.4 billion.
- Estimated retail sales of printed publications in 2021 decreased 1.3% year on year. Although this marked the seventeenth year of decline, the rate of decrease was on a par with the previous year. By format, books increased 2.1% while magazines fell 5.4%. In contrast, the electronic publications market continued to grow markedly, with sales rising 18.6% in 2021. Sales of comic magazines jumped 20.3%, as vertical scrolling comics¹ gained popularity and publishers attracted new target audiences. The combined print and electronic publications market expanded 3.6%, marking the third consecutive year of growth. (Figures above are from the January 2022 issue of publishing-related monthly magazine *Shuppan Geppo*.)
- Magazine advertising expenditures rebounded in the April–June quarter, following sluggish spending on magazine ads and publicity in the January–March quarter, resulting in a slight 0.1% increase for the year. The outlook for magazine ad placement demand in the future is uncertain due to factors including the COVID-19 situation, an accelerating shift to digital ads in advertising budgets, and investment by companies in the digital transformation of their businesses. Publishing companies are expected to continue making a major shift to digital- and content-related services, and to seek ways of transforming the value and role of magazines as a print medium in line with evolving methods and the promotional needs of advertisers.
- In the future, publishing companies are likely to position digital- and content-related services at the core of their businesses, and to refine technologies related to cross reality (XR),² vertical scrolling comics, and data platforms. Most advertising proceeds now come from digital advertising, so digital native media launches and new content-driven business development are expected to advance.

Notes:

1. Vertically scrolled full-color web comics designed for smart phone displays.

2. A term for a group of technologies (including virtual reality, augmented reality, and mixed reality) that combine real and virtual settings to allow users to have experiences not based in reality.

Radio Advertising

- Radio advertising spending increased 3.8% year on year to ¥110.6 billion.
- Ads placed in radio programs covering the 2020 Tokyo Olympic and Paralympic Games contributed to both growth in Radio advertising expenditures during the nine-month period from April to December 2021 and the full-year increase of 3.8%.
- Backed by strong demand from consumers staying home during the pandemic, spending on radio ads increased substantially in various industry categories, with Cosmetics/Toiletries up 32.4% and Beverages/Cigarettes 26.9% higher. Results for Information/Communications rose 12.9%, as more consumers used video-streaming subscription services.
- During the July–September quarter, when the Olympic Games were held, 99 commercial radio stations offered three types of coverage: recurring commentary programs before and during the Games, live coverage of the Olympic men’s marathon, and special programs featuring post-game highlights.
- While opportunities for radio stations to hold or cover live events declined due to the COVID-19 pandemic, the number of online events increased in 2021 and were expected to continue doing so. Hybrid events, combining live and online activities, could also grow in number depending on the COVID-19 situation.

Television Advertising

(Terrestrial Television and Satellite Media-related spending)

Television advertising expenditures rose 11.1% year on year to ¥1,839.3 billion.

Terrestrial Television spending increased 11.7% year on year to ¥1,718.4 billion.

- The 11.7% increase in Terrestrial Television advertising expenditures to ¥1,718.4 billion mainly reflects the weakening impact of the COVID-19 pandemic in 2021 compared with 2020.
- Spending on ads placed in sponsored programs increased significantly in 2021 because, as anti-infection measures were put in place, more large events and sporting matches were held than in the previous year. They include the 2020 Tokyo Olympic and Paralympics Games, the second and final round of Asian qualifiers for the FIFA World Cup Qatar 2022, Japanese pro baseball games, and pro golf tournaments. Regionally, 2021 program sponsorship advertising expenditures increased year on year in all eight of Japan’s broadcasting regions.
- As the impact of the COVID-19 pandemic continued from 2020, spot advertising spending was sluggish in the January–March quarter of 2021. In the April–June quarter, however, it picked up amid brisk ad placements by mobile phone carriers, included in the Information/Communications industry category, as well as by both human resources recruitment and startup companies. During the July–September quarter, spending on ad placements in the Beverages/Cigarettes industry category was steady amid solid demand from people staying home during the pandemic, while spending on ad placements in the Transportation/Leisure category recovered as cinemas gradually began showing more movies after shutdowns and postponements during 2020. In the October–December quarter, spending on ad placements rose substantially, reflecting favorable market conditions for companies in the Information/Communications, Transportation/Leisure, and Food Services/Other Services industry categories. Over the full year, all eight of Japan’s broadcasting regions saw spot advertising expenditures grow markedly compared with 2020.
- The outlook for 2022 remains unclear, due to the impact of the COVID-19 situation. Numerous large sporting events were scheduled, including the 2022 Beijing Winter Olympic and Paralympic Games, FIFA World Cup Qatar 2022, 2022 World Athletics Championships in Oregon, USA, and 2022 Asian Games in Hangzhou, China. Therefore, spending on television program advertising should receive a boost from ads placed by corporate sponsors as they step up their marketing communications. The growth in spot advertising expenditures in 2021

is expected to continue into 2022, with large volumes of ads placed by human resources recruiting companies and government agencies, in particular. (Projections were as of February 2022.)

Satellite Media-related spending increased 3.1% year on year to ¥120.9 billion.

- Backed by strong demand for products and services that consumers can use while staying home, the 2021 market for direct marketing ads was solid, expanding compared with 2020.
- Satellite broadcasting revenues increased mainly due to the holding of sporting events that had been cancelled or postponed in the previous year because of the pandemic.
- The outlook for 2022 is for the 2021 growth in the direct marketing ad trade to continue. Among the 2022 highlights, the 2022 Beijing Winter Olympic and Paralympic Games were broadcast in 4K on NHK's BS4K service in February, and three new free-to-watch satellite broadcasting channels went into service in March.

Advertising Production Costs for Traditional Media

(Excluding Satellite Media-related spending)

Advertising production costs for Traditional Media overall rose 3.1% year on year to ¥265.4 billion.

- In 2021, among production costs included in Traditional Media advertising expenditures, production costs for commercials in the Terrestrial Television category were the largest at ¥205.0 billion, an increase of 4.8% compared with 2020. With the holding of the 2020 Tokyo Olympic and Paralympic Games during the pandemic, these costs jumped more than 10% between April and June. In other categories of Traditional Media, Newspaper advertising production costs bottomed out during the year, Magazine advertising production costs continued to decline, and Radio advertising production costs fell short of the 2020 amount. (Besides the figure for commercial production costs in the Terrestrial Television category, production cost figures for other categories in Traditional Media are not disclosed in this report.)
- Amid the ongoing pandemic, 2021 advertising production costs rose substantially in three categories: Information/Communications, Finance/Insurance, and Home Electric Appliances/AV Equipment. Significant decreases in advertising production costs were recorded in the Automobiles/Related Products category, reflecting stalled vehicle production resulting from the global supply shortage of semiconductors, as well as in Energy/Materials/Machinery, due to the impact of soaring prices of crude oil and raw materials.
- Advertisers, ad companies, and production houses continued to collaboratively promote better workplace conditions in 2021, and took steps to raise the transparency of transactions by strictly managing content, budgets, and schedules. They also implemented measures to deal with COVID-19 to reduce risks in production processes. Raising market prices for advertising production to appropriate levels, specifically with respect to ad content production, also became an issue for the industry overall.

Quarterly Breakdown of Traditional Media Advertising Expenditures

Looking at the quarterly breakdown of advertising expenditures in the Traditional Media (including Satellite Media-related spending), growth was pronounced in the April–June quarter—mainly due to extraordinarily weak results in the same quarter of 2020—and continued in the second half of the year.

(YOY, %)

| | 2020 (Full Year) | H1 Jan.–Jun. | H2 Jul.–Dec. | Q1 Jan.–Mar. | Q2 Apr.–Jun. | Q3 Jul.–Sep. | Q4 Oct.–Dec. |
|--|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Advertising Expenditures in the Traditional Media (including Satellite Media- related spending) | 86.4 | 85.3 | 87.5 | 94.3 | 75.6 | 81.4 | 93.2 |
| | 2021 (Full Year) | H1 Jan.–Jun. | H2 Jul.–Dec. | Q1 Jan.–Mar. | Q2 Apr.–Jun. | Q3 Jul.–Sep. | Q4 Oct.–Dec. |
| | 108.9 | 107.0 | 110.7 | 96.6 | 121.2 | 117.3 | 105.3 |

Internet Advertising

- Internet advertising expenditures totaled ¥2,705.2 billion in 2021, up 21.4% year on year.
- The total comprises expenditures for the Internet Advertising Medium (comprising Performance-Based Advertising and Digital Advertising Carried by Traditional Media Companies), Merchandise-related EC Platforms within Advertising Expenditures in Japan, and Internet Advertising Production Cost categories.

Internet Advertising Medium Expenditures rose 22.8% to ¥2,157.1 billion.

For a breakdown and analysis of Internet Advertising Media Expenditures by advertising category, transaction method, and other factors, please refer to *2021 Advertising Expenditures in Japan: Detailed Analysis of Expenditures on Internet Advertising Media* (jointly produced by Dentsu Inc., CARTA COMMUNICATIONS Inc., D2C Inc., and Dentsu Digital Inc.), published in March 2022.

- The total surpassed the ¥2 trillion mark for the first time, while the solid growth of 22.8% reflected the extraordinarily poor results in 2020, when ad placements declined amid sluggish consumer spending due to the COVID-19 pandemic.
- Of the total, Performance-based Advertising amounted to ¥1,838.2 billion, an increase of 26.3%.
- The number of users of video streaming services increased and spending on video advertising grew markedly due to continued demand from people staying home, as anti-pandemic measures were put in place for prolonged periods in many regions, and to the holding of the 2020 Tokyo Olympic and Paralympic Games.
- Amid limited offline marketing campaigns due to the COVID-19 pandemic, major platforms deployed digital marketing solutions and included these initiatives in their marketing expenditures.
- Following changes in Apple's privacy policy and Google's plan to restrict third-party cookies, major platforms took serious steps to establish data clean rooms in anticipation of a cookie-free future.

Expenditures in Digital Advertising Carried by Traditional Media Companies increased 32.1% year on year to ¥106.1 billion.

- Expenditures for Digital Advertising Carried by Traditional Media Companies, which had seen double-digit growth in 2020, surpassed ¥100 billion for the first time in 2021.
- Newspaper Digital: ¥21.3 billion (up 23.1%)

In the Newspaper Digital category, solid growth in advertising expenditures continued from 2020 into 2021. In the first half of the year, spending on reserved advertising for tie-in marketing articles and online events increased, while results for Performance-based Advertising expenditures declined year on year. Nevertheless, these expenditures rose in the July–September quarter as page views related to COVID-19 and the 2020 Tokyo Olympic and Paralympic Games increased. Some newspaper companies posted record-high numbers of page views. Reserved advertising results were average over the entire year, but some companies noted an upward trend starting in October. Advertising proceeds from sporting events were forecast to increase in 2022 due to the holding of various events, especially the 2022 Beijing Winter Olympic and Paralympic Games and the FIFA World Cup Qatar 2022. Newspaper Digital advertising expenditures are expected to receive a boost in 2022, as many companies turn their focus to digital ads and adopt new advertising products and systems.

- Magazine Digital: ¥58.0 billion (up 30.0%)

For some publishing companies, expenditures for digital ads carried by magazines amounted to over half their advertising revenues. The number of page views and unique users of major online media sites, as well as user accounts of leading social media services continued to

expand in 2021. Taking hold in the industry were advertising plans that draw on expertise in attracting users to communities and in producing published and edited content related to webinar planning; online events; production of content owned by advertisers; as well as video production and streaming. This contributed to the growth of publishing-oriented online media, as well as magazine branding and content services. The research and development projects underway, focusing on publishing intellectual property, include projects aimed at creating fan and community-driven businesses, expanding comic-related services, utilizing cross reality and the metaverse,* and trading valuable content using non-fungible tokens. The projects are expected to create many new opportunities for advertising revenues.

* Immersive virtual spaces and services provided over the Internet

- Radio Digital: ¥1.4 billion (up 27.3%)
Podcasts and other audio media continued to attract listeners, and spending continued to increase on new and recurring ads placed on Internet radio services, including Radio. Expenditures for premium audio ads placed on Spotify were also solid. In 2022, various Internet radio services are expected to focus on boosting audio content platform service sales, such as by offering subscription services for podcasts.
- Television Media Digital: ¥25.4 billion (up 46.8%)
Of the total, Television Media-related Video Advertising expenditures amounted to ¥24.9 billion, showing continued rapid growth of 46.5% compared with the previous year. The number of playbacks and users of the TVer catch-up TV service grew steadily, with an increase in viewers of connected televisions. Live action and highlights of the 2020 Tokyo Olympic and Paralympic Games were also streamed online, creating a buzz with the public. Nippon Television Network Corporation launched a live streaming service in October 2021, and more broadcasting companies are likely to follow, raising expectations for further advancements in the services.

Advertising Expenditures for Merchandise-related EC Platforms within Advertising Expenditures in Japan* rose 23.5% to ¥163.1 billion.

- Consumers increasingly used e-commerce platforms to purchase merchandise because, as they had done in 2020, they continued to refrain from going out in 2021 amid the COVID-19 pandemic.
- Besides food, appliances, and other daily necessities, consumers spent more money on clothes, books, and toys because schools and daycare centers temporarily closed and many employees worked from home.
- The growth in Merchandise-related EC Platforms within Advertising Expenditures in Japan reflected solid spending by consumers in some markets as they took advantage of bargain sales and point-redemption campaigns.
- In the future, e-commerce platforms are expected to offer more satisfying shopping experiences, such as direct interaction similar to live commerce and faster delivery times comparable to quick commerce. Consequently, sales of merchandise purchased on e-commerce platforms and advertising on these platforms are both projected to continue growing.

* Advertising expenditures for Merchandise-related EC Platforms within Advertising Expenditures in Japan are limited to expenditures for advertising on e-commerce platforms that sell such merchandise as household appliances, miscellaneous goods, books, clothing, and office supplies, incurred by operators of stores that use these platforms to sell goods. Accordingly, these expenditures do not cover the total amount of Internet advertising expenditures for advertising products sold through e-commerce as a whole.

Promotional Media Advertising

Internet Advertising Production Costs rose 13.2% to ¥385.0 billion.

- Internet advertising production demand increased as consumer spending—which had stagnated due to the COVID-19 pandemic—picked up, online shopping became a more common practice, and companies accelerated their digital transformations.
- Production included a marked increase in 2021 expenditures for video ads, which included those designed to promote brands and generate a buzz on social networking services. Among the types of videos produced, spending on brand videos featuring rich content* greatly increased year on year.

* Content and production with dynamic components, such as sound, music, video, and animation. In this report, rich content refers to high-quality videos.

- Promotional Media advertising expenditures declined 2.1% year on year to ¥1,640.8 billion.

Outdoor advertising expenditures increased 0.9% to ¥274.0 billion.

- Many people who had been staying home began going out again after emergency and quasi-emergency measures were lifted in 2021. The number of ad placements picked up overall, and advertising demand recovered in certain industries, especially the fashion, medical care, and entertainment industries. To a degree, the 2020 Tokyo Olympic and Paralympic Games also contributed to demand. Outside greater Tokyo, production costs for out-of-home (OOH) advertising projects were proportionally high as material prices soared due to supply problems related to the pandemic. While dependent on the COVID-19 situation, solid demand is expected to continue.
- Among long-term signs, large signboards placed in urban commercial areas were in demand, but demand for other types of signage remained sluggish.
- Demand for short-term signs, short-term network signs, and large-screen displays increased as demand for large eye-catching signage and billboards for OOH campaigns became concentrated in urban commercial areas. Signage featuring 3D visuals were especially popular with the public. After a curved LED screen displayed more realistic 3D images than conventional flat screens, inquiries about such content from advertisers rapidly increased. Since production costs of such content are high, however, the number of projects declined. Although reducing production costs may be difficult in the near future, it may be possible to recover some of the outlays by concluding long-term contracts for displaying content to stimulate new demand.
- In digital OOH advertising projects, sales methods based on the number of impressions using location data are becoming more common.

Transit advertising expenditures declined 14.2% year on year to ¥134.6 billion.

- Among railway transit advertising media, rather than signage networks,* demand was mainly for station posters, digital signage, and large eye-catching signage for OOH campaigns in sections of major stations used by large numbers of passengers. While spending on ads inside train stations decreased overall, spending on ads using large digital signage increased nationwide year on year. Among the ads in train cars, ad placements for promotional stickers on railroad car doors, which are usually in high demand year-round, were down substantially due to lower numbers of passengers, but spot ad placements remained brisk.
- Expenditures for ads placed in international airport terminals decreased compared with 2020, as passenger numbers did not recover due to restrictions on the entry of travelers from

abroad. Expenditures for ads in domestic airport terminals rebounded slightly following the lifting of travel restrictions put in place during the pandemic-related states of emergency.

- Although the 2020 Tokyo Olympic and Paralympic Games were held mainly without spectators, ads were placed in major railway stations as well as stations located near event venues.
- While transit ad expenditures in the beverage industry decreased year on year, they were solid in the video game, beauty product, social media video service, cloud service, and delivery industries.
- The number of taxis featuring signage increased, while expenditures for taxi advertising, including taxi wrap advertising, continued to rise over the previous year. The number of taxis equipped with video screens is expected to increase, and expenditures for video ads in taxis is forecast to grow significantly, especially for business-to-business ads. In the future, bolstering demand for business-to-customer advertising will be a challenge.

* Signage organized in a series inside rail cars, major train stations, and across station platform barriers of major stations.

Flyer advertising expenditures rose 4.2% to ¥263.1 billion.

- Despite the impact of the COVID-19 pandemic, Flyer advertising expenditures increased in 2021 compared with the previous year, as flyers were increasingly used to capture demand from people staying home, especially in major cities.
- The use of flyers recovered from the previous year, particularly in the Distribution/Retailing industry category, which includes supermarkets, home improvement centers, and major appliance chain stores. In the service sector, although spending on ad placements by restaurants, travel agencies, and amusement-related services continued to decline, spending on ad placements by food take-out and delivery services grew. Spending on Flyer advertising by businesses that buy used items for resale was brisk, supporting an overall increase. In addition, spending on ad placements expanded for mail-order health foods and cosmetics, and rose substantially for financial- and insurance-related services. In contrast, spending on ad placements related to education, culture, and real estate decreased year on year, mainly due to the impact of the COVID-19 pandemic and accelerating efforts to digitally transform Japanese society.
- In 2021, there was more spending on flyer advertising in greater Tokyo, with the amount not falling below 2020 levels in any part of Japan. The largest year-on-year increase was in the Tokai-Koshinetsu region (central Japan). In the Tohoku area (northern Japan), which had comparatively fewer COVID-19 infections, the number of newspaper inserts rose above the previous year's figure, promoting tourism within the region, local restaurants, and regionally grown produce. Meanwhile, distinctive trends were seen in urban areas. In some, for example, spending on ad placements for amusement and leisure facilities such as pachinko parlors increased after having declined steeply in the past.
- Flyer advertising expenditures are forecast to recover at a slower pace in 2022, as companies in the distribution industry have held back on placing more ads in inserts due to a new wave of COVID-19 infections at the beginning of the year. Flyer advertising expenditures are forecast to recover gradually once the wave of infections settles down. In the service sector, while spending on ad placements for restaurants, travel, and lodging has remained sluggish, a rebound is anticipated given that growing numbers of people are receiving booster vaccines and the government plans to resume its Go To Travel and dining out campaigns and other measures to support these industries. Internet-based service providers have been

increasingly using newspaper inserts to target elderly consumers, who are more difficult to reach via online advertising, and this trend is expected to continue.

Direct Mail advertising expenditures increased 4.7% to ¥344.6 billion.

- Compared with 2020, when the impact of the COVID-19 pandemic was substantial, Direct Mail advertising expenditures picked up in 2021, increasing year on year.
- Because more people worked remotely from home and personal sales calls become difficult during the pandemic, direct mail was more actively used for sales activities, particularly insurance sales. Digital marketing-linked personalized direct mail (featuring different content and designs tailored to individual customers) was also used more widely, thanks to the broad availability of digital printing presses.
- Among industry categories, companies in the Transportation/Leisure category (which includes tourism and travel) continued to face tough market conditions extending from 2020, while companies involved in direct marketing performed comparatively well on the back of renewed household demand.
- Unaddressed direct mail was increasingly used to target consumers that are difficult to reach via online advertising alone, driving growth in this component of the direct mail market. Various issues involving door-to-door distribution are similar for other advertising media, so collaboration and partnerships across industries may be needed in the future.
- Direct mail advertising expenditures together with direct mail market production reached ¥451.7 billion in 2021. (For more information, please refer to the section, "Other notable advertising-related markets," on page 16 of this report.)

Free Newspaper advertising expenditures fell 6.3% to ¥144.2 billion.

- In 2021, advertising expenditures for Free Newspapers (free tabloid newspapers, magazines, and telephone directories) decreased 6.3% year on year, mainly due to the COVID-19 pandemic and reflecting publication cancellations, consolidation of publications in some areas, and reductions in the number of issues published. The volume of publications available particularly at train stations continued to decline. Nevertheless, advertising expenditures were solid for free materials related to the 2021 House of Representatives elections and for free newspapers published by newspaper companies.
- Free newspapers that took advantage of content and the production capabilities of publishers provided local information offering services to regional companies and governments, including website production, online sales campaigns, and video production.
- Sales- and marketing-oriented distribution and promotional methods attracted the interest of advertisers, while integrated, multifaceted advertising techniques that go beyond simply providing print space were well received. These trends are expected to continue.
- Demand was solid for lifestyle magazines featuring news and articles emphasizing community bonds and regional revitalization. As digitalization advances throughout society, door-to-door media still have a broad range of uses in terms of giving people uniform access to information and reflecting society's diversity. As a print medium, free newspapers help stimulate demand from people staying home. Therefore, industry tie-ups with digital and other media, industry-academic-government cooperation, and links to social businesses are expected to revitalize this market in the future.

POP advertising expenditures decreased 5.1% to ¥157.3 billion.

- Point-of-purchase (POP) advertising expenditures were down in 2021 due to several factors,

including ongoing cancellations (since 2020) of in-store promotional campaigns and events aimed at attracting customers while anti-pandemic measures were in place, and manufacturers' delayed adoption of sales promotion tools.

- On a positive note, stores increasingly took steps to digitally transform.* While serving as vital contact points for customers, stores used digital signage and POP displays featuring augmented and virtual reality as ways to enhance customer experiences. The trend is expected to continue.
- In the POP advertising market, awareness of eco-friendliness, recycling, and the UN Sustainable Development Goals (SDGs) has been increasing gradually, with a number of approaches having been taken to promote these themes. Among the diverse initiatives that have begun, manufacturers have reassessed supply chains at the product planning stage, taken eco-friendliness and the SDGs into consideration, launched programs to collect product packaging for recycling, and produced collection boxes for this purpose.
- There is a growing need for compact POP displays that can be easily assembled and installed in stores in order to reduce delivery and disposal costs for distributors and stores, and to shorten visiting times by customers during the pandemic.
- The positive contribution of the 2020 Tokyo Olympic and Paralympic Games to POP advertising expenditures was substantially reduced by decisions to cut marketing budgets and hold events with no spectators, resulting in cancellations of Games- and international tourist-related campaigns.
- With video advertising content, distributed via social media and websites, often displayed in stores without modification, expertise in producing POP-tailored videos for customers to watch while shopping has yet to be established. Thus, expertise in the production of this type of video is expected to develop.

* Initiatives for collecting and analyzing data, such as touch-and-try data, purchase lead-time data, and numbers and attributes of customers determined by AI cameras and questionnaires.

Event/Exhibition/Screen Display advertising expenditures declined 7.0% to ¥323.0 billion.

- This substantial year-on-year decrease was mainly a result of the continuing impact of the COVID-19 pandemic.
- Although the annual Tokyo Motor Show and the Tokyo Marathon were both cancelled in 2021, advertising expenditures in the Events category increased 26.0% year on year to ¥137.2 billion, largely due to the holding of the 2020 Tokyo Olympic and Paralympic Games.
- Advertising expenditures in the Exhibitions category decreased substantially, despite growth in demand for the refurbishment of cultural facilities, department stores, and office buildings. The decrease mainly reflects action taken by integrated commercial facilities, corporate PR facilities, as well as theme parks and other amusement facilities to reduce capital investment aimed at attracting customers and to change related plans amid the economic slowdown caused by the pandemic. The trend to hold exhibitions and corporate events online accelerated, and organizers and participants have come to accept this as the norm. Other types of industries are expected to join in the shift to online events and hybrid events (combining onsite and online activities), with cost competition expected to intensify.
- In major cities, redevelopment projects scheduled for completion by 2030 are underway, and the attractive new facilities that will result are expected to draw people and revitalize urban districts.
- Demand for video production increased, specifically for videos shown at online exhibitions, presentations, and seminars, as well as for videos that showcase products and services. Since

participants in online exhibitions cannot directly experience products, creating and producing content able to stimulate interest among participants has become important. Among the trends expected to advance are the use of new audio-video-related digital technologies, more realistic experiences for participants, content tailored to specific target audiences, online information streaming, and new tools to facilitate communication between company representatives and participants.

- In the first half of 2021, demand for cinema advertising was sluggish as cinemas temporarily closed after the government declared pandemic-related states of emergency. In the second half of the year, however, demand for luxury brands and other products rose steeply. Advertising demand is expected to grow in 2022, but the temporarily closure of cinemas and the postponement of public performances due to the pandemic remain concerns.

Additional Information

Other notable advertising-related markets

Commercial printing market: ¥1,780.0 billion (up 1.7% year on year)

- Within the commercial printing market, the market for posters, flyers, and pamphlets grew 1.9% year on year to ¥1,070.0 billion. Nevertheless, the market had been negatively impacted by declining inbound tourism demand since 2020, an accelerating shift to paperless operations, and temporary closures of commercial facilities and restaurants. Medium-size and large printing companies posted results largely in line with the previous year, but many small printing companies saw results decline around 10%.
- In 2022, the digital transformation of Japanese society is expected to accelerate, and the prices of materials used in the printing process are forecast to rise. To grow, printing companies need to differentiate themselves from their competitors by promoting initiatives focused on digitalization and contribution to the UN Sustainable Development Goals, as well as by avoiding price competition while offering solutions for adding value.

Leaflet distribution market: ¥128.3 billion (up 11.0% year on year)

- The leaflet distribution market grew steadily in 2021, backed by rising demand for door-to-door distribution amid the COVID-19 pandemic. Numbers of government-related leaflets and public announcements increased year on year. While digitalization has been in the spotlight in recent years, leaflets containing news about PCR tests and vaccinations highlighted the importance of using paper to distribute information to the public. People in major cities also had more opportunities to read leaflets delivered to their households. Meanwhile, spending was up for the distribution of leaflets featuring timely information specific to local areas, such as job postings and real estate listings. Leaflets proved useful as advertising tools for restaurants and various service providers that have been severely impacted by COVID-19. In the overlapping markets for advertising inserts, direct mail, and free newspapers, collaboration across industries was initiated. In addition, data marketing and the latest digital technologies were applied to more accurately deliver leaflets to targeted households.

Direct mail production market: ¥107.1 billion (up 1.7% year on year)

- The volume of planning and production work increased in 2021 compared with the previous year as direct mail was used to promote remote sales as an alternative to personal sales calls. Expenditures for operation costs including data marketing also increased.

III. 2021 Advertising Expenditures Classified by Industry (Traditional Media Only, Excluding Satellite Media-related Spending)

Spending increases in 16 industry categories, including Information/Communications, Precision Instruments/Office Supplies, Beverages/Cigarettes, Home Electric Appliances/AV Equipment, and Classified Ads/Others

Of the 21 industry categories surveyed in 2021, advertising expenditures increased in 16 categories and declined in five (compared with one and 20, respectively, in 2020).

Advertising expenditures increased year on year in the following 16 industry categories. Information/Communications jumped 29.6% on the back of increased spending on ad placements for web content corporate branding, mobile communications services, online games, and other Internet-based services. Precision Instruments/Office Supplies rose 24.6%, reflecting higher spending on ad placements for telescopes, microscopes, and magnifying glasses, as well as corporate branding and office furniture. Beverages/Cigarettes grew 19.7%, mainly due to placements for domestic beer, instant coffee, fermented milk drinks, and beer-like beverages. Home Electric Appliances/AV Equipment was up 19.2%, as spending rose for air purifiers, appliances, audio-visual systems, and electric hairdressing and beauty equipment. Classified Ads/Others increased 19.1%, mainly due to an upswing in corporate group advertising and ad-hoc ads. Household Products rose 16.6%, reflecting higher spending on ad placements for corporate branding, heated tobacco products, and multi-functional mattresses. Finance/Insurance climbed 16.1%, backed by higher spending on placements for life insurance, virtual currencies, corporate branding by insurance companies, and credit cards. Real Estate/Housing Facilities increased 14.4%, largely due to placements for residential equipment, bath units, and home security systems. Hobbies/Sporting Goods was up 13.9%, as spending on ad placements for game software, game consoles, and fitness goods increased. Food Services/Other Services was up 12.1%, mainly due to increased spending for corporate branding, temporary job agencies, home delivery services, and moving services. In the Publications category, expenditures rose 11.1%, driven by spending on ad placements for corporate branding, individual volumes of manga series, and specialist hobby magazines. Cosmetics/Toiletries was up 5.3%, backed by placements for direct-marketed cosmetic lines for women, as well as fabric softener, laundry detergent, and mouthwash products. Distribution/Retailing was up 4.5%, mainly due to higher spending by mail-order services, convenience stores, and businesses that buy used items for resale. Education/Medical Services/Religion increased 4.0%, mainly due to increased spending on placements for schools, including vocational and specialist schools, as well as hospitals and medical services. Pharmaceuticals/Medical Supplies was up 2.0%, reflecting ad placements for medical products, corporate branding, and adhesive bandages. Finally, Transportation/Leisure edged up 0.4%, supported by spending on ad placements for events and seminars, concerts, car rental services, and movies.

Advertising expenditures decreased year on year in the following five industry categories. Automobiles/Related Products fell 11.3%, mainly as a result of lower spending on ad placements for corporate branding, Japanese city cars (engine displacement up to 660 cc), imported and domestically produced SUVs, and hatchbacks. Energy/Materials/Machinery was also down 11.3%, reflecting decreased spending by gasoline brands and companies, as well as gas and electric power companies. In the Apparel/Fashion, Accessories/Personal Items category, advertising expenditures decreased 2.7%, mainly due to less spending on ad placements for women's clothing, clothing and accessory sets, and men's clothing. Foodstuffs decreased 1.9%, reflecting lower spending for direct-marketed dietary supplements, corporate branding, instant soups, and vinegar. Finally, Government/Organizations decreased 1.3%, mainly due to less spending by advertising organizations and foreign governments.

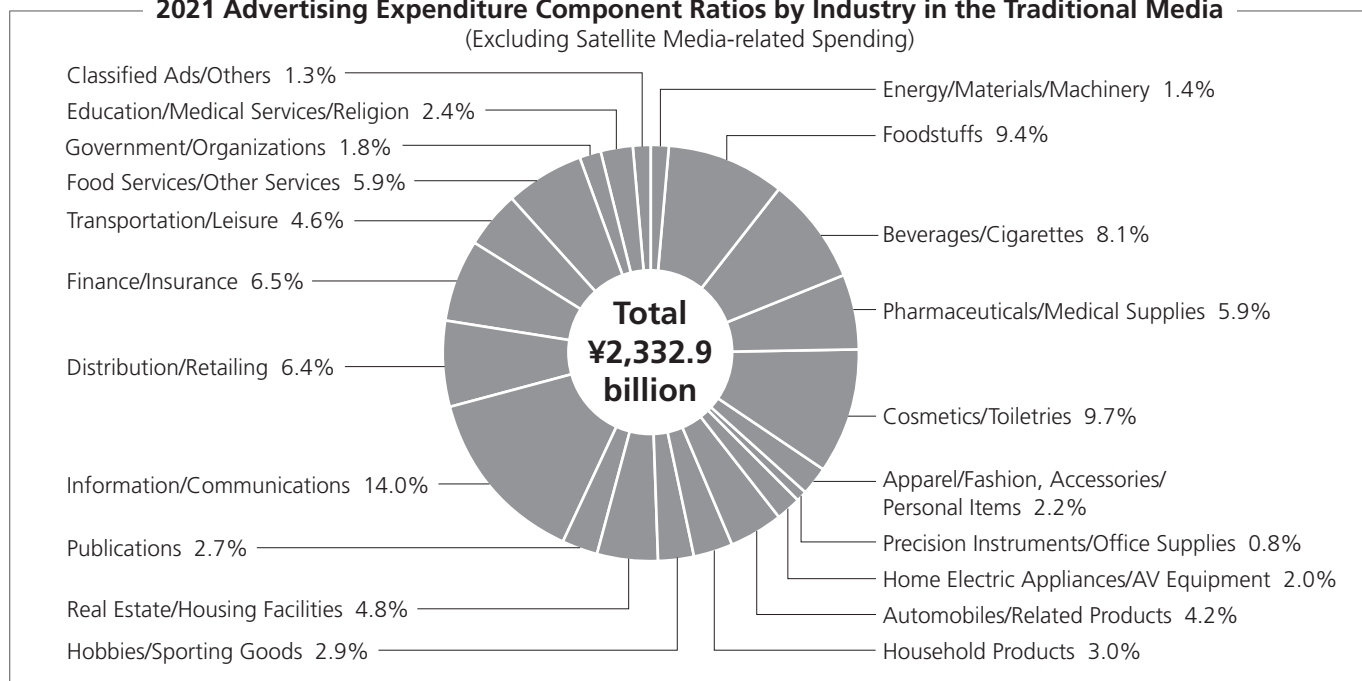
Industry Categories Accounting for the Largest Share of Increased and Decreased Advertising Expenditures in 2021

(%)

| Industry categories posting year-on-year increases in advertising expenditures, ranked by their share of the total increase posted by 16 industry categories | | | | Industry categories posting year-on-year decreases in advertising expenditures, ranked by their share of the total decrease posted by five industry categories | | | |
|--|--------------|---|-------------------------|--|--------------|---|-------------------------|
| | YOY Increase | Share of Total Advertising Expenditures | Share of Total Increase | | YOY Decrease | Share of Total Advertising Expenditures | Share of Total Decrease |
| Information / Communications | 29.6 | 14.0 | 17.3 | Foodstuffs | 1.9 | 9.4 | 49.7 |
| Cosmetics / Toiletries | 5.3 | 9.7 | 11.9 | Automobiles / Related Products | 11.3 | 4.2 | 21.9 |
| Beverages / Cigarettes | 19.7 | 8.1 | 10.0 | Apparel / Fashion, Accessories / Personal Items | 2.7 | 2.2 | 11.8 |
| Finance / Insurance | 16.1 | 6.5 | 8.0 | Government / Organizations | 1.3 | 1.8 | 9.3 |
| Distribution / Retailing | 4.5 | 6.4 | 7.9 | Energy / Materials / Machinery | 11.3 | 1.4 | 7.3 |

2021 Advertising Expenditure Component Ratios by Industry in the Traditional Media

(Excluding Satellite Media-related Spending)



Breakdown of Advertising Expenditures by Industry

- 1. Energy/Materials/Machinery:** Decreased 11.3% year on year and comprised 1.4% of total advertising expenditures.
 - Expenditures decreased for the second consecutive year
 - Spending on ad placements for gasoline brands, gas companies, and electric power companies decreased
 - Corporate branding advertisement expenditures increased
 - Advertising expenditures in the Newspapers and Terrestrial Television categories decreased
- 2. Foodstuffs:** Decreased 1.9% year on year and comprised 9.4% of total advertising expenditures.
 - Expenditures were down for the second consecutive year
 - Spending on ad placements for direct-marketed dietary supplements decreased significantly
 - Spending decreased for corporate branding, instant soups, and vinegar
 - Spending on ad placements for retort food products and both fresh and dried noodles increased
 - Advertising expenditures in the Terrestrial Television category decreased
- 3. Beverages/Cigarettes:** Increased 19.7% year on year and comprised 8.1% of total advertising expenditures.
 - Expenditures increased for the first time in four years
 - Spending on ad placements for domestic beer rose substantially
 - Spending was up for instant coffee, fermented milk drinks, and beer-like beverages
 - Brisk ad placements for canned cocktail beverages continued from 2020, resulting in a year-on-year increase in expenditures
 - Spending on ad placements for diet and nutritional drinks decreased (including direct marketing)
 - Advertising expenditures in the Newspapers and Terrestrial Television categories increased
- 4. Pharmaceuticals/Medical Supplies:** Increased 2.0% year on year and comprised 5.9% of total advertising expenditures.
 - Expenditures were up for the first time in three years
 - Spending on ad placements for medical products, corporate branding, and adhesive bandages increased
 - Spending rose on pain killers and fever reducers
 - Brisk ad placements for masks as well as body and joint supporters continued from 2020, driving a year-on-year increase in expenditures
 - Spending on ad placements for cold medicines and stomach medicines decreased
 - Advertising expenditures in the Newspaper, Magazine, and Radio categories increased
- 5. Cosmetics/Toiletries:** Increased 5.3% year on year and comprised 9.7% of total advertising expenditures.
 - Expenditures rose for the first time in five years
 - Spending on ad placements for direct-marketed cosmetic lines for women increased
 - Spending on ad placements for fabric softeners and laundry detergents increased
 - Spending was up on mouthwash, tooth brushes, and makeup removers
 - Spending on ad placements for makeup foundation and hair growth products decreased
 - Advertising expenditures in the Newspapers and Terrestrial Television categories increased
- 6. Apparel/Fashion, Accessories/Personal Items:** Decreased 2.7% year on year and comprised 2.2% of total advertising expenditures.
 - Expenditures declined for the eighth consecutive year

- Spending on ad placements for women's clothing as well as clothing and accessory sets decreased
- Spending decreased on men's clothing and multi-functional underwear
- Spending on ad placements for socks increased
- Advertising expenditures in the Magazine category declined

7. Precision Instruments/Office Supplies: Increased 24.6% year on year and comprised 0.8% of total advertising expenditures.

- Expenditures were up for the first time in three years
- Spending on ad placements for magnifying glasses, corporate branding, and office furniture increased
- Spending on ad placements for wristwatches continued to decline from the previous year
- Advertising expenditures in the Newspapers and Terrestrial Television categories increased

8. Home Electric Appliances/AV Equipment: Increased 19.2% year on year and comprised 2.0% of total advertising expenditures.

- Expenditures increased for the first time in five years
- Spending on ad placements for air purifiers, appliances, and audio-visual systems increased
- Steady spending on ad placements for electric hairdressing and beauty equipment continued from 2020, and expenditures rose year on year
- Spending was down on 4K televisions, sales of which had been steady in 2020, as well as on vacuum cleaners and corporate branding
- Advertising expenditures increased in every category of Traditional Media, especially Television

9. Automobiles/Related Products: Decreased 11.3% year on year and comprised 4.2% of total advertising expenditures.

- Expenditures decreased for the fourth consecutive year
- Spending on ad placements for corporate branding declined substantially
- After strong results in 2020, spending on ad placements for Japanese city cars decreased
- Spending was down for imported and domestically produced SUVs, as well as hatchbacks
- Advertising expenditures in the Newspapers and Terrestrial Television categories decreased

10. Household Products: Increased 16.6% year on year and comprised 3.0% of total advertising expenditures.

- Expenditures rose for the first time in four years
- Spending on ad placements for corporate branding as well as cigarette lighters and accessories increased
- Spending on ad placements for multi-functional mattresses and deodorants continued to be steady from 2020, with expenditures rising year on year
- Ad placements for insecticides decreased following brisk spending in 2020
- Advertising expenditures in the Terrestrial Television category increased

11. Hobbies/Sporting Goods: Increased 13.9% year on year and comprised 2.9% of total advertising expenditures.

- Expenditures increased for the first time in five years
- Steady spending on ad placements for game software and fitness goods continued from 2020, driving a year-on-year increase in expenditures
- Spending on ad placements for game consoles as well as pachinko and slot machines increased
- Declining spending on ad placements for golf clubs in 2020 continued in 2021
- Advertising expenditures in the Terrestrial Television category increased

- 12. Real Estate/Housing Facilities:** Increased 14.4% year on year and comprised 4.8% of total advertising expenditures.
- Expenditures were up for the first time in four years
 - Spending on ad placements for residential equipment and bath units increased
 - Spending also increased on home security systems, as well as central heating and air conditioning systems
 - Ad placements for home renovations declined following solid spending in 2020
 - Advertising expenditures in the Newspapers and Terrestrial Television categories increased
- 13. Publications:** Decreased 11.1% year on year and comprised 2.7% of total advertising expenditures.
- Expenditures increased for the first time in nine years
 - Spending on ad placements for corporate branding rose markedly
 - Spending also increased on individual volumes of manga series and hobby magazines
 - A decline in spending on English language learning books and textbooks continued from 2020
 - Advertising expenditures in the Newspapers and Terrestrial Television categories increased
- 14. Information/Communications:** Increased 29.6% year on year and comprised 14.0% of total advertising expenditures.
- Expenditures increased for the first time in four years
 - Spending on ad placements for web content, corporate branding, and mobile communications services increased substantially
 - Brisk ad placements for online games and other Internet-based services continued from 2020, with expenditures increasing year on year
 - Spending on ad placements for commercial and satellite TV declined
 - Advertising expenditures in the Terrestrial Television category increased
- 15. Distribution/Retailing:** Increased 4.5% year on year and comprised 6.4% of total advertising expenditures.
- Expenditures rose for the first time in seven years
 - Spending on ad placements for mail-order services and convenience stores was up
 - Spending by businesses that buy used items for resale increased
 - Spending on ad placements for shopping malls and general merchandise stores continued to decline from 2020
 - Advertising expenditures increased in every category of Traditional Media, led by Television
- 16. Finance/Insurance:** Increased 16.1% year on year and comprised 6.5% of total advertising expenditures.
- Expenditures increased for the first time in three years
 - Spending on ad placements for life insurance rose substantially
 - Spending on ad placements for virtual currencies, corporate branding by insurance companies, and credit cards increased
 - Spending on direct marketing ads for automotive and cancer insurance decreased
 - Advertising expenditures in the Newspapers and Terrestrial Television categories increased

- 17. Transportation/Leisure:** Increased 0.4% year on year and comprised 4.6% of total advertising expenditures.
- Expenditures increased for the first time in six years
 - Spending on ad placements for events and seminars rose markedly
 - Spending on concerts, car rental services, and movies was up
 - Continuing from 2020, spending on placements for travel companies, hotels, *ryokan* (Japanese-style hotels), and train services decreased substantially
 - Advertising expenditures in the Newspapers and Terrestrial Television categories increased
- 18. Food Services/Other Services:** Increased 12.1% year on year and comprised 5.9% of total advertising expenditures.
- Expenditures rose for the first time in three years
 - Spending on ad placements for corporate branding and temporary job agencies increased
 - Rising spending on home delivery services and moving services in 2020 continued in 2021
 - Spending on placements for restaurants decreased following solid results in 2020
 - Advertising expenditures increased in every category of Traditional Media, led by Television
- 19. Government/Organizations:** Decreased 1.3% year on year and comprised 1.8% of total advertising expenditures.
- Expenditures were down after a year-on-year increase in 2020
 - Spending on ad placements for advertising organizations decreased significantly
 - Spending by foreign governments was down
 - Spending on placements for various organizations, political parties, and political organizations increased
 - Advertising expenditures in the Terrestrial Television category decreased
- 20. Education/Medical Services/Religion:** Increased 4.0% year on year and comprised 2.4% of total advertising expenditures.
- Expenditures rose for the first time in three years
 - Spending on ad placements for vocational and specialist schools increased
 - Spending increased for schools, hospitals, and medical services
 - Spending on placements for correspondence education, as well as preparatory and tutoring schools, continued the 2020 decline
 - Advertising expenditures in the Terrestrial Television category increased
- 21. Classified Ads/Others:** Increased 19.1% year on year and comprised 1.3% of total advertising expenditures.
- Expenditures were up for the first time in 14 years
 - Spending on corporate group advertising and ad-hoc ads increased
 - Spending on help-wanted and other classified ad placements continued to decline from the previous year
 - Advertising expenditures in the Terrestrial Television category increased

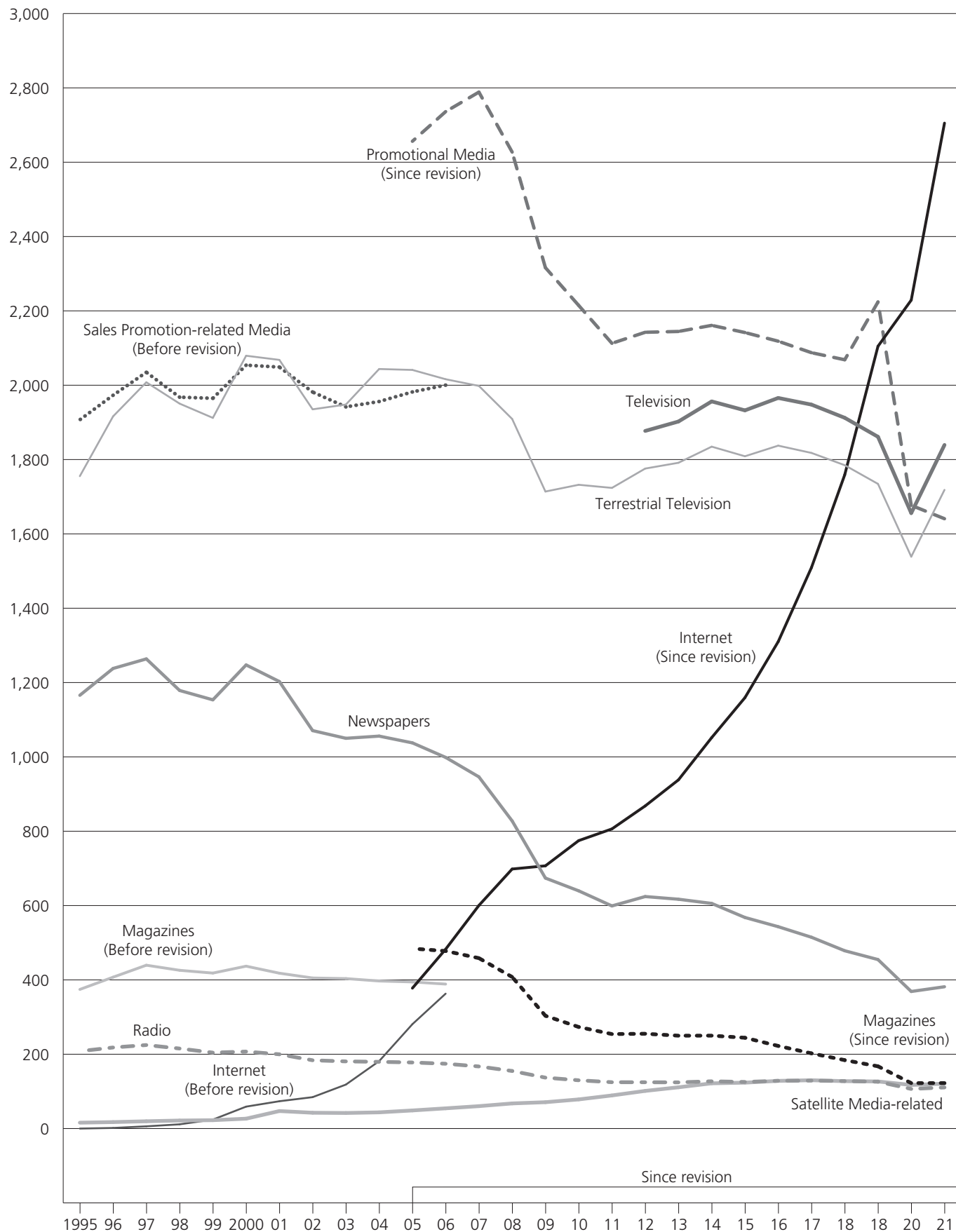
Advertising Expenditures and Japan's Nominal GDP (1995–2021)

| Year | | Advertising Expenditures (A) | | Nominal Gross Domestic Product (B) | | A / B (%) |
|-------------|-----------------|------------------------------|---------------------------------|------------------------------------|---------------------------------|-------------|
| | | Amount (¥ billion) | Compared with Previous Year (%) | Amount (¥ billion) | Compared with Previous Year (%) | |
| 1995 | | 5,426.3 | 105.0 | 521,613.5 | 102.1 | 1.04 |
| 1996 | | 5,771.5 | 106.4 | 535,562.1 | 102.7 | 1.08 |
| 1997 | | 5,996.1 | 103.9 | 543,545.4 | 101.5 | 1.10 |
| 1998 | | 5,771.1 | 96.2 | 536,497.4 | 98.7 | 1.08 |
| 1999 | | 5,699.6 | 98.8 | 528,069.9 | 98.4 | 1.08 |
| 2000 | | 6,110.2 | 107.2 | 535,417.7 | 101.4 | 1.14 |
| 2001 | | 6,058.0 | 99.1 | 531,653.9 | 99.3 | 1.14 |
| 2002 | | 5,703.2 | 94.1 | 524,478.7 | 98.7 | 1.09 |
| 2003 | | 5,684.1 | 99.7 | 523,968.6 | 99.9 | 1.08 |
| 2004 | | 5,857.1 | 103.0 | 529,400.9 | 101.0 | 1.11 |
| 2005 | Before revision | 5,962.5 | 101.8 | 532,515.6 | 100.6 | 1.12 |
| 2006 | Before revision | 5,995.4 | 100.6 | 535,170.2 | 100.5 | 1.12 |
| 2005 | After revision | 6,823.5 | 102.9 | 532,515.6 | 100.6 | 1.28 |
| 2006 | After revision | 6,939.9 | 101.7 | 535,170.2 | 100.5 | 1.30 |
| 2007 | | 7,019.1 | 101.1 | 539,281.7 | 100.8 | 1.30 |
| 2008 | | 6,692.6 | 95.3 | 527,823.8 | 97.9 | 1.27 |
| 2009 | | 5,922.2 | 88.5 | 494,938.4 | 93.8 | 1.20 |
| 2010 | | 5,842.7 | 98.7 | 505,530.6 | 102.1 | 1.16 |
| 2011 | | 5,709.6 | 97.7 | 497,448.9 | 98.4 | 1.15 |
| 2012 | | 5,891.3 | 103.2 | 500,474.7 | 100.6 | 1.18 |
| 2013 | | 5,976.2 | 101.4 | 508,700.6 | 101.6 | 1.17 |
| 2014 | | 6,152.2 | 102.9 | 518,811.0 | 102.0 | 1.19 |
| 2015 | | 6,171.0 | 100.3 | 538,032.3 | 103.7 | 1.15 |
| 2016 | | 6,288.0 | 101.9 | 544,364.6 | 101.2 | 1.16 |
| 2017 | | 6,390.7 | 101.6 | 553,073.0 | 101.6 | 1.16 |
| 2018 | | 6,530.0 | 102.2 | 556,293.8 | 100.6 | 1.17 |
| 2019 | | 6,938.1 | 106.2 | 558,491.2 | 100.4 | 1.24 |
| 2020 | | 6,159.4 | 88.8 | 538,155.4 | 96.4 | 1.14 |
| 2021 | | 6,799.8 | 110.4 | 542,289.7 | 100.8 | 1.25 |

- Notes:**
1. The method for estimating advertising expenditures in Japan was modified in 2007, retroactive to 2005.
 2. Please see page 33 for details regarding the above revision.
 3. The above figures for GDP are taken from the Cabinet Office's "Annual Report on National Accounts," and, from 1995 onward, "Quarterly Estimates of GDP" (preliminary GDP quarterly data released on February 15, 2022).
 4. All the above figures are for the calendar year.

Advertising Expenditures by Medium (1995–2021)

(¥ billion)

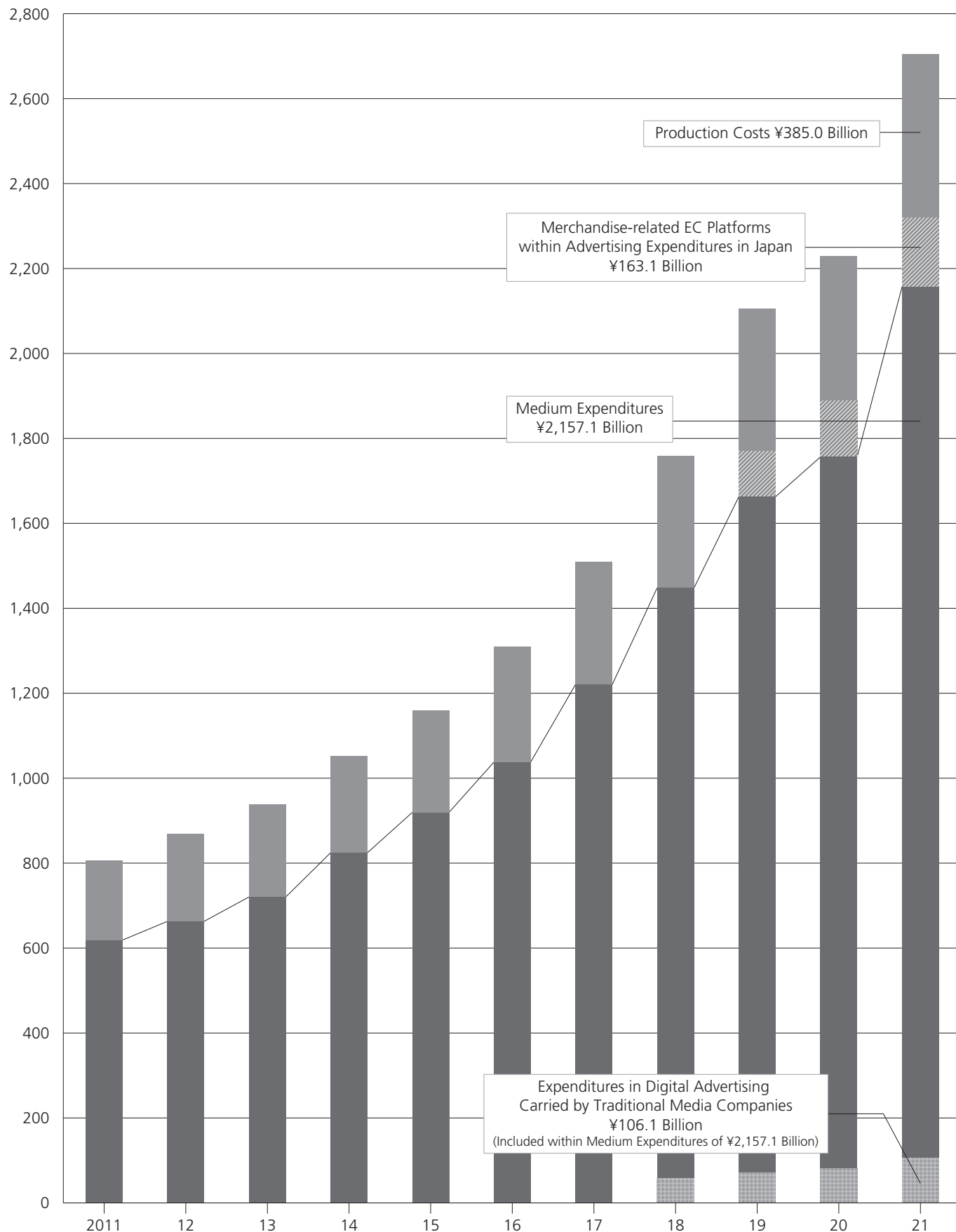


| Media | Newspapers | | Magazines | | Radio | | Television | | | | | | Internet | | Sales Promotion-related Media/ Promotional Media | | |
|-------------|-----------------|--------------|----------------------|--------------|----------------------|--------------|----------------------|----------------|----------------------|----------------|----------------------|--------------|----------------------|----------------|---|----------------|----------------------|
| | Year | ¥ Billion | Comparison Ratio (%) | ¥ Billion | Comparison Ratio (%) | ¥ Billion | Comparison Ratio (%) | ¥ Billion | Comparison Ratio (%) | ¥ Billion | Comparison Ratio (%) | ¥ Billion | Comparison Ratio (%) | ¥ Billion | Comparison Ratio (%) | ¥ Billion | Comparison Ratio (%) |
| 1995 | | 1,165.7 | 104.0 | 374.3 | 107.8 | 208.2 | 102.6 | | | 1,755.3 | 106.8 | 15.8 | 126.4 | | | 1,907.0 | 103.6 |
| 1996 | | 1,237.9 | 106.2 | 407.3 | 108.8 | 218.1 | 104.8 | | | 1,916.2 | 109.2 | 17.4 | 110.1 | 1.6 | – | 1,973.0 | 103.5 |
| 1997 | | 1,263.6 | 102.1 | 439.5 | 107.9 | 224.7 | 103.0 | | | 2,007.9 | 104.8 | 19.6 | 112.6 | 6.0 | 375.0 | 2,034.8 | 103.1 |
| 1998 | | 1,178.7 | 93.3 | 425.8 | 96.9 | 215.3 | 95.8 | | | 1,950.5 | 97.1 | 21.6 | 110.2 | 11.4 | 190.0 | 1,967.8 | 96.7 |
| 1999 | | 1,153.5 | 97.9 | 418.3 | 98.2 | 204.3 | 94.9 | | | 1,912.1 | 98.0 | 22.5 | 104.2 | 24.1 | 211.4 | 1,964.8 | 99.8 |
| 2000 | | 1,247.4 | 108.1 | 436.9 | 104.4 | 207.1 | 101.4 | | | 2,079.3 | 108.7 | 26.6 | 118.2 | 59.0 | 244.8 | 2,053.9 | 104.5 |
| 2001 | | 1,202.7 | 96.4 | 418.0 | 95.7 | 199.8 | 96.5 | | | 2,068.1 | 99.5 | 47.1 | 177.1 | 73.5 | 124.6 | 2,048.8 | 99.8 |
| 2002 | | 1,070.7 | 89.0 | 405.1 | 96.9 | 183.7 | 91.9 | | | 1,935.1 | 93.6 | 42.5 | 90.2 | 84.5 | 115.0 | 1,981.6 | 96.7 |
| 2003 | | 1,050.0 | 98.1 | 403.5 | 99.6 | 180.7 | 98.4 | | | 1,948.0 | 100.7 | 41.9 | 98.6 | 118.3 | 140.0 | 1,941.7 | 98.0 |
| 2004 | | 1,055.9 | 100.6 | 397.0 | 98.4 | 179.5 | 99.3 | | | 2,043.6 | 104.9 | 43.6 | 104.1 | 181.4 | 153.3 | 1,956.1 | 100.7 |
| 2005 | Before revision | 1,037.7 | 98.3 | 394.5 | 99.4 | 177.8 | 99.1 | | | 2,041.1 | 99.9 | 48.7 | 111.7 | 280.8 | 154.8 | 1,981.9 | 101.3 |
| 2006 | | 998.6 | 96.2 | 388.7 | 98.5 | 174.4 | 98.1 | | | 2,016.1 | 98.8 | 54.4 | 111.7 | 363.0 | 129.3 | 2,000.2 | 100.9 |
| 2005 | After revision | 1,037.7 | 98.3 | 484.2 | 99.3 | 177.8 | 99.1 | | | 2,041.1 | 99.9 | 48.7 | 111.7 | 377.7 | 148.0 | 2,656.3 | 103.6 |
| 2006 | | 998.6 | 96.2 | 477.7 | 98.7 | 174.4 | 98.1 | | | 2,016.1 | 98.8 | 54.4 | 111.7 | 482.6 | 127.8 | 2,736.1 | 103.0 |
| 2007 | | 946.2 | 94.8 | 458.5 | 96.0 | 167.1 | 95.8 | | | 1,998.1 | 99.1 | 60.3 | 110.8 | 600.3 | 124.4 | 2,788.6 | 101.9 |
| 2008 | | 827.6 | 87.5 | 407.8 | 88.9 | 154.9 | 92.7 | | | 1,909.2 | 95.6 | 67.6 | 112.1 | 698.3 | 116.3 | 2,627.2 | 94.2 |
| 2009 | | 673.9 | 81.4 | 303.4 | 74.4 | 137.0 | 88.4 | | | 1,713.9 | 89.8 | 70.9 | 104.9 | 706.9 | 101.2 | 2,316.2 | 88.2 |
| 2010 | | 639.6 | 94.9 | 273.3 | 90.1 | 129.9 | 94.8 | | | 1,732.1 | 101.1 | 78.4 | 110.6 | 774.7 | 109.6 | 2,214.7 | 95.6 |
| 2011 | | 599.0 | 93.7 | 254.2 | 93.0 | 124.7 | 96.0 | | | 1,723.7 | 99.5 | 89.1 | 113.6 | 806.2 | 104.1 | 2,112.7 | 95.4 |
| 2012 | | 624.2 | 104.2 | 255.1 | 100.4 | 124.6 | 99.9 | 1,877.0 | – | 1,775.7 | 103.0 | 101.3 | 113.7 | 868.0 | 107.7 | 2,142.4 | 101.4 |
| 2013 | | 617.0 | 98.8 | 249.9 | 98.0 | 124.3 | 99.8 | 1,902.3 | 101.3 | 1,791.3 | 100.9 | 111.0 | 109.6 | 938.1 | 108.1 | 2,144.6 | 100.1 |
| 2014 | | 605.7 | 98.2 | 250.0 | 100.0 | 127.2 | 102.3 | 1,956.4 | 102.8 | 1,834.7 | 102.4 | 121.7 | 109.6 | 1,051.9 | 112.1 | 2,161.0 | 100.8 |
| 2015 | | 567.9 | 93.8 | 244.3 | 97.7 | 125.4 | 98.6 | 1,932.3 | 98.8 | 1,808.8 | 98.6 | 123.5 | 101.5 | 1,159.4 | 110.2 | 2,141.7 | 99.1 |
| 2016 | | 543.1 | 95.6 | 222.3 | 91.0 | 128.5 | 102.5 | 1,965.7 | 101.7 | 1,837.4 | 101.6 | 128.3 | 103.9 | 1,310.0 | 113.0 | 2,118.4 | 98.9 |
| 2017 | | 514.7 | 94.8 | 202.3 | 91.0 | 129.0 | 100.4 | 1,947.8 | 99.1 | 1,817.8 | 98.9 | 130.0 | 101.3 | 1,509.4 | 115.2 | 2,087.5 | 98.5 |
| 2018 | | 478.4 | 92.9 | 184.1 | 91.0 | 127.8 | 99.1 | 1,912.3 | 98.2 | 1,784.8 | 98.2 | 127.5 | 98.1 | 1,758.9 | 116.5 | 2,068.5 | 99.1 |
| 2019 | | 454.7 | 95.0 | 167.5 | 91.0 | 126.0 | 98.6 | 1,861.2 | 97.3 | 1,734.5 | 97.2 | 126.7 | 99.4 | 2,104.8 | 119.7 | 2,223.9 | 107.5 |
| 2020 | | 368.8 | 81.1 | 122.3 | 73.0 | 106.6 | 84.6 | 1,655.9 | 89.0 | 1,538.6 | 88.7 | 117.3 | 92.6 | 2,229.0 | 105.9 | 1,676.8 | 75.4 |
| 2021 | | 381.5 | 103.4 | 122.4 | 100.1 | 110.6 | 103.8 | 1,839.3 | 111.1 | 1,718.4 | 111.7 | 120.9 | 103.1 | 2,705.2 | 121.4 | 1,640.8 | 97.9 |

- Notes:** 1. The method for estimating advertising expenditures in Japan was modified in 2007, retroactive to 2005.
2. Advertising expenditures in Television were redefined in 2014, retroactive to 2012, to include expenditures in both Terrestrial Television and Satellite Media-related advertising.
3. Since 2018, digital advertising carried by traditional media companies has been added to estimates for Internet Advertising Expenditures. Since 2019, advertising expenditures for Merchandise-related EC Platforms within Advertising Expenditures in Japan have been added to estimates for Internet Advertising Expenditures.
4. Since 2019, Events advertising expenditures have been added to estimates for Promotional Media Advertising Expenditures.

Breakdown of Advertising Expenditures for Internet-related Spending (2011–2021)

(¥ billion)



| Year | Internet Advertising Expenditures | | Internet Advertising Medium Expenditures | | | | | | | | | | | Internet Advertising Production Costs | | New Category since 2019 | |
|-------------|-----------------------------------|--------------|---|--------------|--|------------------|----------------------|--------------------------|--|---|-------------------------|-------------|----------------------|---------------------------------------|----------------------|-------------------------|----------------------|
| | | | New Category since 2012 | | Expenditures in Digital Advertising Carried by Traditional Media Companies | | | | | | New Category since 2019 | | | | | | |
| | | | Performance-based Advertising's* Share of Total | | Newspaper Digital | Magazine Digital | Radio Digital | Television Media Digital | Television media-related video advertising | Merchandise-related EC Platforms within Advertising Expenditures in Japan | | | | | | | |
| ¥ Billion | Comparison Ratio (%) | ¥ Billion | Comparison Ratio (%) | ¥ Billion | Comparison Ratio (%) | ¥ Billion | Comparison Ratio (%) | ¥ Billion | Comparison Ratio (%) | ¥ Billion | Comparison Ratio (%) | ¥ Billion | Comparison Ratio (%) | ¥ Billion | Comparison Ratio (%) | ¥ Billion | Comparison Ratio (%) |
| 2011 | 806.2 | 104.1 | 618.9 | 101.8 | 285.3 | 116.0 | | | | | | | | 187.3 | 112.2 | | |
| 2012 | 868.0 | 107.7 | 662.9 | 107.1 | 339.1 | 118.9 | | | | | | | | 205.1 | 109.5 | | |
| 2013 | 938.1 | 108.1 | 720.3 | 108.7 | 412.2 | 121.6 | | | | | | | | 217.8 | 106.2 | | |
| 2014 | 1,051.9 | 112.1 | 824.5 | 114.5 | 510.6 | 123.9 | | | | | | | | 227.4 | 104.4 | | |
| 2015 | 1,159.4 | 110.2 | 919.4 | 111.5 | 622.6 | 121.9 | | | | | | | | 240.0 | 105.5 | | |
| 2016 | 1,310.0 | 113.0 | 1,037.8 | 112.9 | 738.3 | 118.6 | | | | | | | | 272.2 | 113.4 | | |
| 2017 | 1,509.4 | 115.2 | 1,220.6 | 117.6 | 940.0 | 127.3 | | | | | | | | 288.8 | 106.1 | | |
| 2018 | 1,758.9 | 116.5 | 1,448.0 | 118.6 | 1,151.8 | 122.5 | 58.2 | – | 13.2 | 33.7 | 0.8 | 10.5 | 10.1 | 310.9 | 107.7 | | |
| 2019 | 2,104.8 | 119.7 | 1,663.0 | 114.8 | 1,326.7 | 115.2 | 71.5 | 122.9 | 14.6 | 40.5 | 1.0 | 15.4 | 15.0 | 335.4 | 107.9 | 106.4 | – |
| 2020 | 2,229.0 | 105.9 | 1,756.7 | 105.6 | 1,455.8 | 109.7 | 80.3 | 112.3 | 17.3 | 44.6 | 1.1 | 17.3 | 17.0 | 340.2 | 101.4 | 132.1 | 124.2 |
| 2021 | 2,705.2 | 121.4 | 2,157.1 | 122.8 | 1,838.2 | 126.3 | 106.1 | 132.1 | 21.3 | 58.0 | 1.4 | 25.4 | 24.9 | 385.0 | 113.2 | 163.1 | 123.5 |

Notes: 1. The method of breaking down Internet advertising medium expenditures was modified in 2012, and data through 2010 has been estimated retroactively.

* Performance-based advertising refers to advertising methods that utilize platforms to process vast amounts of data for the automatic or instantaneous optimization of advertising. Typical examples include search engine advertising and certain ad networks, as well as the recently developed DSPs, ad exchanges, and SSPs. Performance-based advertising does not include such methods as ad space sales, tie-up ads, or affiliate advertising.

- i. Data through 2011 for search engine advertising includes some performance-based advertising that, strictly speaking, does not fall within the scope of search engine advertising.
- ii. Online ad networks refer to arrangements under which multiple web sites that want to host advertisements are aggregated together to create a network for ad distribution.
- iii. Demand-side Platforms (DSPs) are systems that help advertisers optimize the effectiveness of their online advertising.
- iv. Ad exchanges are services that facilitate the sale of online media advertising inventory with prices set through bidding from multiple ad networks.
- v. Supply-side Platforms (SSPs) are systems that help media companies to optimize the effectiveness of their online advertising.

2. Since 2018, digital advertising carried by traditional media companies has been added to estimates for Internet Advertising Medium Expenditures.

3. Since 2019, advertising expenditures for Merchandise-related EC Platforms within Advertising Expenditures in Japan have been added to estimates for Internet Advertising Expenditures.

4. For details on Internet advertising media expenditures, analyzed by such parameters as ad category, please refer to the press release dated March 9, 2022, entitled, "2021 Advertising Expenditures in Japan: Detailed Analysis of Expenditures on Internet Advertising Media."

APPENDIX 4

Advertising Expenditures by Industry (2019–2021)

(Traditional Media Only, Excluding Satellite Media-related Spending)

| Industry | Advertising Expenditures (¥10 million) | | | Comparison Ratio (%) | | Component Ratio (%) | | |
|--|---|---------|----------------|-------------------------|--------------|------------------------|-------|--------------|
| | 2019 | 2020 | 2021 | 2020 | 2021 | 2019 | 2020 | 2021 |
| Energy / Materials / Machinery | 4,228 | 3,639 | 3,228 | 86.1 | 88.7 | 1.7 | 1.7 | 1.4 |
| Foodstuffs | 25,505 | 22,406 | 21,970 | 87.8 | 98.1 | 10.3 | 10.5 | 9.4 |
| Beverages / Cigarettes | 16,771 | 15,735 | 18,840 | 93.8 | 119.7 | 6.7 | 7.4 | 8.1 |
| Pharmaceuticals / Medical Supplies | 14,411 | 13,590 | 13,863 | 94.3 | 102.0 | 5.8 | 6.4 | 5.9 |
| Cosmetics / Toiletries | 24,029 | 21,384 | 22,524 | 89.0 | 105.3 | 9.7 | 10.0 | 9.7 |
| Apparel / Fashion, Accessories / Personal Items | 7,536 | 5,357 | 5,213 | 71.1 | 97.3 | 3.0 | 2.5 | 2.2 |
| Precision Instruments / Office Supplies | 2,691 | 1,416 | 1,765 | 52.6 | 124.6 | 1.1 | 0.7 | 0.8 |
| Home Electric Appliances / AV Equipment | 4,500 | 3,896 | 4,643 | 86.6 | 119.2 | 1.8 | 1.8 | 2.0 |
| Automobiles / Related Products | 13,918 | 10,925 | 9,689 | 78.5 | 88.7 | 5.6 | 5.1 | 4.2 |
| Household Products | 6,158 | 6,031 | 7,033 | 97.9 | 116.6 | 2.5 | 2.8 | 3.0 |
| Hobbies / Sporting Goods | 6,680 | 5,950 | 6,776 | 89.1 | 113.9 | 2.7 | 2.8 | 2.9 |
| Real Estate / Housing Facilities | 11,316 | 9,841 | 11,256 | 87.0 | 114.4 | 4.6 | 4.6 | 4.8 |
| Publications | 6,526 | 5,732 | 6,366 | 87.8 | 111.1 | 2.6 | 2.7 | 2.7 |
| Information / Communications | 26,563 | 25,234 | 32,703 | 95.0 | 129.6 | 10.7 | 11.8 | 14.0 |
| Distribution / Retailing | 15,969 | 14,300 | 14,941 | 89.5 | 104.5 | 6.4 | 6.7 | 6.4 |
| Finance / Insurance | 15,083 | 13,054 | 15,155 | 86.5 | 116.1 | 6.1 | 6.1 | 6.5 |
| Transportation / Leisure | 19,214 | 10,643 | 10,684 | 55.4 | 100.4 | 7.7 | 5.0 | 4.6 |
| Food Services / Other Services | 13,816 | 12,360 | 13,855 | 89.5 | 112.1 | 5.6 | 5.8 | 5.9 |
| Government / Organizations | 3,905 | 4,170 | 4,115 | 106.8 | 98.7 | 1.6 | 1.9 | 1.8 |
| Education / Medical Services / Religion | 6,501 | 5,400 | 5,614 | 83.1 | 104.0 | 2.6 | 2.5 | 2.4 |
| Classified Ads / Others | 2,950 | 2,567 | 3,057 | 87.0 | 119.1 | 1.2 | 1.2 | 1.3 |
| Total | 248,270 | 213,630 | 233,290 | 86.0 | 109.2 | 100.0 | 100.0 | 100.0 |

APPENDIX 5

Advertising Expenditures by Industry in the Traditional Media (2020–2021)

(Traditional Media Only, Excluding Satellite Media-related Spending)

(Unit: ¥10 million)

| Media Industry | Newspapers | | | Magazines | | | Radio | | | Terrestrial Television | | | Total | | |
|---|------------|---------------|----------------------|-----------|---------------|----------------------|--------|---------------|----------------------|------------------------|----------------|----------------------|---------|----------------|----------------------|
| | 2020 | 2021 | Comparison Ratio (%) | 2020 | 2021 | Comparison Ratio (%) | 2020 | 2021 | Comparison Ratio (%) | 2020 | 2021 | Comparison Ratio (%) | 2020 | 2021 | Comparison Ratio (%) |
| Energy / Materials / Machinery | 441 | 410 | 93.0 | 91 | 97 | 106.6 | 249 | 232 | 93.2 | 2,858 | 2,489 | 87.1 | 3,639 | 3,228 | 88.7 |
| Foodstuffs | 4,546 | 4,638 | 102.0 | 831 | 828 | 99.6 | 1,093 | 979 | 89.6 | 15,936 | 15,525 | 97.4 | 22,406 | 21,970 | 98.1 |
| Beverages / Cigarettes | 1,158 | 1,202 | 103.8 | 485 | 473 | 97.5 | 349 | 443 | 126.9 | 13,743 | 16,722 | 121.7 | 15,735 | 18,840 | 119.7 |
| Pharmaceuticals / Medical Supplies | 1,647 | 1,863 | 113.1 | 281 | 283 | 100.7 | 760 | 881 | 115.9 | 10,902 | 10,836 | 99.4 | 13,590 | 13,863 | 102.0 |
| Cosmetics / Toiletries | 1,977 | 2,214 | 112.0 | 1,647 | 1,502 | 91.2 | 340 | 450 | 132.4 | 17,420 | 18,358 | 105.4 | 21,384 | 22,524 | 105.3 |
| Apparel / Fashion, Accessories / Personal Items | 668 | 781 | 116.9 | 2,796 | 2,474 | 88.5 | 36 | 40 | 111.1 | 1,857 | 1,918 | 103.3 | 5,357 | 5,213 | 97.3 |
| Precision Instruments / Office Supplies | 234 | 234 | 100.0 | 530 | 573 | 108.1 | 64 | 47 | 73.4 | 588 | 911 | 154.9 | 1,416 | 1,765 | 124.6 |
| Home Electric Appliances / AV Equipment | 168 | 190 | 113.1 | 403 | 501 | 124.3 | 88 | 108 | 122.7 | 3,237 | 3,844 | 118.8 | 3,896 | 4,643 | 119.2 |
| Automobiles / Related Products | 522 | 452 | 86.6 | 410 | 423 | 103.2 | 835 | 813 | 97.4 | 9,158 | 8,001 | 87.4 | 10,925 | 9,689 | 88.7 |
| Household Products | 770 | 755 | 98.1 | 376 | 430 | 114.4 | 173 | 196 | 113.3 | 4,712 | 5,652 | 119.9 | 6,031 | 7,033 | 116.6 |
| Hobbies / Sporting Goods | 725 | 710 | 97.9 | 676 | 699 | 103.4 | 236 | 232 | 98.3 | 4,313 | 5,135 | 119.1 | 5,950 | 6,776 | 113.9 |
| Real Estate / Housing Facilities | 1,635 | 1,635 | 100.0 | 443 | 420 | 94.8 | 540 | 550 | 101.9 | 7,223 | 8,651 | 119.8 | 9,841 | 11,256 | 114.4 |
| Publications | 3,891 | 3,986 | 102.4 | 118 | 137 | 116.1 | 311 | 275 | 88.4 | 1,412 | 1,968 | 139.4 | 5,732 | 6,366 | 111.1 |
| Information / Communications | 2,706 | 2,607 | 96.3 | 550 | 637 | 115.8 | 1,042 | 1,176 | 112.9 | 20,936 | 28,283 | 135.1 | 25,234 | 32,703 | 129.6 |
| Distribution / Retailing | 5,488 | 5,917 | 107.8 | 510 | 527 | 103.3 | 521 | 585 | 112.3 | 7,781 | 7,912 | 101.7 | 14,300 | 14,941 | 104.5 |
| Finance / Insurance | 1,147 | 1,283 | 111.9 | 295 | 335 | 113.6 | 642 | 625 | 97.4 | 10,970 | 12,912 | 117.7 | 13,054 | 15,155 | 116.1 |
| Transportation / Leisure | 3,878 | 3,890 | 100.3 | 810 | 803 | 99.1 | 792 | 747 | 94.3 | 5,163 | 5,244 | 101.6 | 10,643 | 10,684 | 100.4 |
| Food Services / Other Services | 1,322 | 1,362 | 103.0 | 275 | 321 | 116.7 | 1,442 | 1,587 | 110.1 | 9,321 | 10,585 | 113.6 | 12,360 | 13,855 | 112.1 |
| Government / Organizations | 1,094 | 1,249 | 114.2 | 204 | 231 | 113.2 | 728 | 686 | 94.2 | 2,144 | 1,949 | 90.9 | 4,170 | 4,115 | 98.7 |
| Education / Medical Services / Religion | 1,336 | 1,315 | 98.4 | 453 | 483 | 106.6 | 352 | 352 | 100.0 | 3,259 | 3,464 | 106.3 | 5,400 | 5,614 | 104.0 |
| Classified Ads / Others | 1,527 | 1,457 | 95.4 | 46 | 63 | 137.0 | 67 | 56 | 83.6 | 927 | 1,481 | 159.8 | 2,567 | 3,057 | 119.1 |
| Total | 36,880 | 38,150 | 103.4 | 12,230 | 12,240 | 100.1 | 10,660 | 11,060 | 103.8 | 153,860 | 171,840 | 111.7 | 213,630 | 233,290 | 109.2 |

Component Ratio of Media Expenditures by Industry and Industry Expenditures by Medium for 2021

(Traditional Media Only, Excluding Satellite Media-related Spending)

(Unit: %)

| Industry | Media Expenditures by Industry | | | | | Industry Expenditures by Medium | | | | |
|---|--------------------------------|--------------|--------------|------------------------|--------------|---------------------------------|------------|------------|------------------------|--------------|
| | Newspapers | Magazines | Radio | Terrestrial Television | Total | Newspapers | Magazines | Radio | Terrestrial Television | Total |
| Energy / Materials / Machinery | 1.1 | 0.8 | 2.1 | 1.5 | 1.4 | 12.7 | 3.0 | 7.2 | 77.1 | 100.0 |
| Foodstuffs | 12.2 | 6.8 | 8.8 | 9.0 | 9.4 | 21.1 | 3.8 | 4.4 | 70.7 | 100.0 |
| Beverages / Cigarettes | 3.1 | 3.9 | 4.0 | 9.7 | 8.1 | 6.4 | 2.5 | 2.3 | 88.8 | 100.0 |
| Pharmaceuticals / Medical Supplies | 4.9 | 2.3 | 8.0 | 6.3 | 5.9 | 13.4 | 2.0 | 6.4 | 78.2 | 100.0 |
| Cosmetics / Toiletries | 5.8 | 12.3 | 4.1 | 10.7 | 9.7 | 9.8 | 6.7 | 2.0 | 81.5 | 100.0 |
| Apparel / Fashion, Accessories / Personal Items | 2.0 | 20.2 | 0.4 | 1.1 | 2.2 | 15.0 | 47.4 | 0.8 | 36.8 | 100.0 |
| Precision Instruments / Office Supplies | 0.6 | 4.7 | 0.4 | 0.5 | 0.8 | 13.2 | 32.5 | 2.7 | 51.6 | 100.0 |
| Home Electric Appliances / AV Equipment | 0.5 | 4.1 | 1.0 | 2.2 | 2.0 | 4.1 | 10.8 | 2.3 | 82.8 | 100.0 |
| Automobiles / Related Products | 1.2 | 3.5 | 7.3 | 4.7 | 4.2 | 4.6 | 4.4 | 8.4 | 82.6 | 100.0 |
| Household Products | 2.0 | 3.5 | 1.8 | 3.3 | 3.0 | 10.7 | 6.1 | 2.8 | 80.4 | 100.0 |
| Hobbies / Sporting Goods | 1.9 | 5.7 | 2.1 | 3.0 | 2.9 | 10.5 | 10.3 | 3.4 | 75.8 | 100.0 |
| Real Estate / Housing Facilities | 4.3 | 3.4 | 5.0 | 5.0 | 4.8 | 14.5 | 3.7 | 4.9 | 76.9 | 100.0 |
| Publications | 10.4 | 1.1 | 2.5 | 1.1 | 2.7 | 62.6 | 2.2 | 4.3 | 30.9 | 100.0 |
| Information / Communications | 6.8 | 5.2 | 10.6 | 16.5 | 14.0 | 8.0 | 1.9 | 3.6 | 86.5 | 100.0 |
| Distribution / Retailing | 15.5 | 4.3 | 5.3 | 4.6 | 6.4 | 39.6 | 3.5 | 3.9 | 53.0 | 100.0 |
| Finance / Insurance | 3.4 | 2.7 | 5.6 | 7.5 | 6.5 | 8.5 | 2.2 | 4.1 | 85.2 | 100.0 |
| Transportation / Leisure | 10.2 | 6.6 | 6.8 | 3.1 | 4.6 | 36.4 | 7.5 | 7.0 | 49.1 | 100.0 |
| Food Services / Other Services | 3.6 | 2.6 | 14.3 | 6.2 | 5.9 | 9.8 | 2.3 | 11.5 | 76.4 | 100.0 |
| Government / Organizations | 3.3 | 1.9 | 6.2 | 1.1 | 1.8 | 30.3 | 5.6 | 16.7 | 47.4 | 100.0 |
| Education / Medical Services / Religion | 3.4 | 3.9 | 3.2 | 2.0 | 2.4 | 23.4 | 8.6 | 6.3 | 61.7 | 100.0 |
| Classified Ads / Others | 3.8 | 0.5 | 0.5 | 0.9 | 1.3 | 47.7 | 2.1 | 1.8 | 48.4 | 100.0 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 16.4 | 5.2 | 4.7 | 73.7 | 100.0 |

APPENDIX 7

Eleven-year Trends in Advertising Expenditures by Industry (2011–2021)

(Traditional Media Only, Excluding Satellite Media-related Spending)

(Unit: ¥10 million)

| Industry | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Energy / Materials / Machinery | 2,724 | 2,624 | 2,490 | 2,560 | 2,664 | 3,755 | 4,054 | 3,911 | 4,228 | 3,639 | 3,228 |
| Foodstuffs | 26,619 | 28,329 | 27,209 | 26,350 | 27,069 | 28,012 | 27,744 | 25,449 | 25,505 | 22,406 | 21,970 |
| Beverages / Cigarettes | 19,621 | 20,987 | 20,688 | 21,096 | 19,373 | 18,354 | 18,497 | 17,453 | 16,771 | 15,735 | 18,840 |
| Pharmaceuticals / Medical Supplies | 14,354 | 14,847 | 14,745 | 14,992 | 14,647 | 15,265 | 14,738 | 14,832 | 14,411 | 13,590 | 13,863 |
| Cosmetics / Toiletries | 27,687 | 28,783 | 27,985 | 29,551 | 28,426 | 28,845 | 27,291 | 26,279 | 24,029 | 21,384 | 22,524 |
| Apparel / Fashion, Accessories / Personal Items | 10,818 | 11,645 | 11,732 | 11,382 | 11,067 | 9,961 | 9,163 | 8,354 | 7,536 | 5,357 | 5,213 |
| Precision Instruments / Office Supplies | 2,630 | 2,886 | 2,834 | 3,050 | 3,347 | 2,884 | 2,561 | 3,154 | 2,691 | 1,416 | 1,765 |
| Home Electric Appliances / AV Equipment | 5,449 | 5,412 | 5,533 | 5,926 | 5,444 | 5,970 | 5,288 | 4,782 | 4,500 | 3,896 | 4,643 |
| Automobiles / Related Products | 12,981 | 16,473 | 16,710 | 17,277 | 15,380 | 14,459 | 14,683 | 14,025 | 13,918 | 10,925 | 9,689 |
| Household Products | 6,421 | 6,496 | 6,856 | 7,242 | 6,714 | 6,456 | 6,560 | 6,399 | 6,158 | 6,031 | 7,033 |
| Hobbies / Sporting Goods | 11,061 | 10,853 | 10,227 | 9,414 | 7,951 | 7,966 | 7,875 | 7,352 | 6,680 | 5,950 | 6,776 |
| Real Estate / Housing Facilities | 10,445 | 10,869 | 11,503 | 11,804 | 11,209 | 11,964 | 13,032 | 12,171 | 11,316 | 9,841 | 11,256 |
| Publications | 8,949 | 9,216 | 8,988 | 8,769 | 8,486 | 8,080 | 7,798 | 6,803 | 6,526 | 5,732 | 6,366 |
| Information / Communications | 22,200 | 24,525 | 24,332 | 26,091 | 27,433 | 28,401 | 28,891 | 28,491 | 26,563 | 25,234 | 32,703 |
| Distribution / Retailing | 18,694 | 20,297 | 19,273 | 19,374 | 18,984 | 18,121 | 16,361 | 16,157 | 15,969 | 14,300 | 14,941 |
| Finance / Insurance | 14,121 | 14,499 | 16,762 | 16,437 | 15,973 | 15,759 | 15,050 | 15,207 | 15,083 | 13,054 | 15,155 |
| Transportation / Leisure | 19,527 | 21,123 | 20,976 | 21,172 | 21,635 | 20,784 | 20,116 | 19,469 | 19,214 | 10,643 | 10,684 |
| Food Services / Other Services | 12,356 | 12,896 | 14,229 | 14,504 | 14,638 | 14,395 | 13,482 | 14,023 | 13,816 | 12,360 | 13,855 |
| Government / Organizations | 10,873 | 3,327 | 3,149 | 3,380 | 3,296 | 3,326 | 3,057 | 3,006 | 3,905 | 4,170 | 4,115 |
| Education / Medical Services / Religion | 7,579 | 7,823 | 8,069 | 7,717 | 7,342 | 6,941 | 6,822 | 6,928 | 6,501 | 5,400 | 5,614 |
| Classified Ads / Others | 5,051 | 4,050 | 3,960 | 3,672 | 3,562 | 3,432 | 3,317 | 3,265 | 2,950 | 2,567 | 3,057 |
| Total | 270,160 | 277,960 | 278,250 | 281,760 | 274,640 | 273,130 | 266,380 | 257,510 | 248,270 | 213,630 | 233,290 |

Sources of Media Expenditures

| | |
|--|--|
| Traditional Media | Advertising spending in the traditional media of newspapers, magazines, radio, and television. |
| Newspapers | Advertising rates of national daily and trade newspapers, and advertising production costs. |
| Magazines | Advertising rates of national monthly, weekly, and specialized magazines, and advertising production costs. |
| Radio | Time rates and production costs of private broadcasting stations nationwide and commercial production costs (but not including event-related costs). |
| Television | |
| Terrestrial Television | Time rates and production costs of private terrestrial broadcasting stations nationwide and commercial production costs (but not including event-related costs). |
| Satellite Media-related | Advertising expenditures for satellite broadcasts, CATV, and teletext (placement and production costs). |
| Internet | Total of ad placement costs (media costs) of Internet sites, Merchandise-related EC Platforms, and Internet-related production costs. |
| Media Costs | Ad placement costs (media costs) of Internet sites and apps (including Merchandise-related EC Platforms). |
| Digital Advertising Carried by Traditional Media Companies | Total of newspapers digital, magazine digital, radio digital, and television digital ads. |
| Newspaper Digital | Internet advertising expenditures for digital ad space offered by newspaper companies. Not included in newspaper advertising expenditures. |
| Magazine Digital | Internet advertising expenditures for digital ad space offered by magazine companies. Not included in magazine advertising expenditures. |
| Radio Digital | Internet advertising expenditures for digital ad space offered by radio media companies. Not included in radio advertising expenditures. |
| Television Media Digital | Internet advertising expenditures for digital ad space offered by television media companies (including satellite media-related expenditures). Not included in television media advertising expenditures. |
| Television Media-related Video Advertising | Internet advertising expenditures for video streaming-type media, including catch-up TV services and simulcast services. |
| Merchandise-related EC Platforms within Advertising Expenditures in Japan | Internet advertising expenditures for advertisers with stores and advertising transactions carried out by those advertisers for products on merchandise-related EC platforms. These expenditures do not comprise the overall Internet advertising expenditures in the EC platforms category. |
| Production Costs | Production costs of advertising on Internet sites and apps (including Merchandise-related EC Platforms) and related production costs (banner ads, video ads, advertorials on social media platforms, etc.). |
| Promotional Media | Advertising expenditures for sales promotion-related media. |
| Outdoor | Production and placement costs for short- and long-term billboards, neon signs, LED signs, outdoor video screens, etc. |
| Transit | Placement costs for transit advertisements in trains, buses, taxis, airports, and other public transportation. |
| Flyers | Insertion costs for flyers in newspapers nationwide. |
| Direct Mail | Postage and private delivery costs for direct mail. |
| Free Newspapers | Advertising costs for free newspapers, magazines, and telephone directories. |
| POP | Production costs for point-of-purchase displays. |
| Events / Exhibitions / Screen Displays | Production costs for sales promotion, pop-up stores, sports events, PR events, exhibitions, expositions, and PR venues; production and screening costs for cinema advertising and promotional videos, etc. |

Notes: 1. The method for estimating advertising expenditures in Japan was modified in 2007, and the data for 2005 and 2006 have been retroactively revised.

Contents of the revision:

- (1) The range of Magazines included in the traditional media was expanded to include a wider variety of specialty magazines, local magazines, etc.
 - (2) Internet advertising expenditures include estimated production costs.
 - (3) The Sales Promotion medium was renamed Promotional Media, and the breakdown within it was revised.
 - (4) Outdoor was revised to include outdoor video screens and poster boards along with billboards and neon signs.
 - (5) Transit was revised to include airports and taxis along with trains and buses.
 - (6) In Flyers, the nationwide insertion costs for flyers were revised.
 - (7) In addition to postal fees, Direct Mail was revised to include delivery fees charged by private delivery companies.
 - (8) Estimated advertising expenditures for Free Newspapers/Free Magazines are included in the figures.
2. Since 2018, digital advertising carried by traditional media companies has been added to estimates for Internet Advertising Expenditures.
 3. Since 2019, advertising expenditures for Merchandise-related EC Platforms within Advertising Expenditures in Japan have been added to estimates for Internet Advertising Expenditures, and Events advertising expenditures have been added to estimates for Exhibitions/Screen Displays.
 4. In 2019, the Free Newspapers/Free Magazines category was integrated with the Telephone Directories category to become the Free Newspapers/Telephone Directories category. In 2020, the category name was changed to Free Newspapers category.

Breakdown of Industry Categories

| | |
|--|--|
| Energy / Materials / Machinery | Electricity, gas, petroleum products, paper, steel, chemical materials, agricultural machinery, construction and civil engineering machinery, machine tools, store equipment. |
| Foodstuffs | Dairy products, meat products, seasonings, bread, confectioneries, health foods and beauty-related food products, dietary supplements, processed foods. |
| Beverages / Cigarettes | Alcoholic beverages, non-alcoholic beverages, tobacco products. |
| Pharmaceuticals / Medical Supplies | Medicines, medical supplies, health drinks, eyeglasses. |
| Cosmetics / Toiletries | Skin and hair products, makeup and other cosmetics, shampoos and conditioners, razors and razor blades, electric toothbrushes, dentifrices, soap, detergents, feminine hygiene products, disposable diapers. |
| Apparel / Fashion, Accessories / Personal Items | Clothing, fabrics, home-use textile products, shoes, handbags, umbrellas, jewelry and accessories. |
| Precision Instruments / Office Supplies | Timepieces, cameras, digital cameras and other optical equipment, office supplies, stationery. |
| Home Electric Appliances / AV Equipment | Electric cooking appliances and household appliances, home air-conditioning equipment, audio-visual equipment (including digital video cameras), lighting fixtures, hairdressing and beauty equipment. |
| Automobiles / Related Products | Automobiles, motorcycles, motor scooters, bicycles, motorboats, tires, car navigation systems. |
| Household Products | Petroleum-/gas-related equipment, bedding, interior decoration products, furniture, memorial goods, kitchen accessories, insecticides, mothballs and other insect repellents, air fresheners, deodorizers. |
| Hobbies / Sporting Goods | Hobby products, game machines and software, audio-visual software, gardening supplies, pet foods, pachinko machines and "pachi-slo" slot machines, sporting goods. |
| Real Estate / Housing Facilities | Land, housing and other buildings, materials used in building, household fixtures such as toilets, bathtubs, bathroom sink units and kitchen units, solar power generation systems and hot water systems. |
| Publications | Newspapers, magazines, books, language study materials, other publications. |
| Information / Communications | Computers, computer-related products, computer software, mobile phones, tablet computers, telephone services, communications facilities and services, the Internet, web content, mobile device content, online stores, online games, broadcasting. |
| Distribution / Retailing | Department stores, supermarkets, convenience stores, direct marketing businesses, high-volume retailers, shopping centers, other retailers. |
| Finance / Insurance | Banks, securities firms, insurance firms, consumer finance and credit card companies, electronic money, lotteries, Internet banking. |
| Transportation / Leisure | Transportation facilities and services, travel and hotels, sports and leisure facilities, publicly managed racing, movies, concerts and various events. |
| Food Services / Other Services | Restaurants, door-to-door delivery and moving services, beauty salons, rental businesses, temporary job placement agencies, wedding planning, security services, legal services, wigs and hairpieces. |
| Government / Organizations | Government offices, local autonomous bodies, political parties, foreign government offices, advertising organizations, various other organizations. (Organizations operating within a single industry are classified under that industry.) |
| Education / Medical Services / Religion | Schools, preparatory and tutoring schools, vocational schools, correspondence education, medical-service organizations, medical and nursing services, nursing homes, religion. |
| Classified Ads / Others | Classified ads (newspaper and magazine), ad-hoc ads, personal notices, multi-advertiser messages, corporate group advertising. |

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