

VisionChina Media Joins with CTR to Establish Evaluation Standards for Mass Transit Mobile TV Industry

A kick-off ceremony was held recently for a three-month survey launched by VisionChina Media, China's largest mass transit TV advertising operator, and CTR Market Research, one of the world's largest market research companies. The survey will be performed in Beijing, Shanghai and Guangzhou. The information gathered will be used to develop a media evaluation standard based on an authoritative audience measurement index against which China's mass transit media can be benchmarked. Some research has previously been conducted to measure the value of visual media has to mass transit systems, but this is the first time since the birth mass transit media that such an ambitious survey has been launched. The initiative has attracted broad attention and enthusiastic response.

Rapid media development comes up against evaluation standards issues

As consumer markets have advanced, they have increasingly separated into countless segmented markets. The new medium of mobile TVs based on mass transit systems has regrouped the out-of-home audience together in spite of these segmentation trends. In the past few years, mobile TV has gained popularity because audiences are becoming aware of the advantages of real-time transmission. A large and captive audience has also distinguished mass-transit mobile media from other traditional out-of-home advertising mediums.

In early stages of development, there is a tendency for new media to lack indices and tools with which to judge efficacy and value. The mass transit mobile TV system is no exception. Currently, the market does not have a standardized and authoritative audience measurement index for advertisers and media owners to evaluate the value and effectiveness that advertisements have on mobile TV networks. This makes it difficult to execute pricing, media buying and placement plans, and relegate mobile TV purchases to the category of "experimental" media even as mobile TV becomes a more common component in the media plans of advertising companies and enterprises.

The rapid development of mass transit mobile TV media has spurred strong demand in the industry for a media evaluation standard. The question then becomes, what index should be used to evaluate this new mass media, which spans both out-of-home and traditional TV sectors, and which meet the needs of network operators, researchers and advertisers?

Mass transit TV evaluation will be standardized with the introduction of an audience measurement index

“Mass transit TV media needs, more than ever, a quantified benchmarking standard,” says Alfred Tong, CMO of VisionChina Media. “For those customers who are constrained by limited budgets and who require wide coverage and low advertising costs, the concern of how to select more cost-effective media becomes an important issue. The coverage of mass transit TV media is fast approaching that of the TV stations. It is necessary for us to use quantifiable data to allow more people to see the actual value of the mass transit mobile TV media so that they will have more confidence in selecting the media,” Tong added. To this end, VisionChina Media has joined hands with CTR Market Research, the largest media and market research company in China, to build the most reliable audience measurement index to exist in the mass transit mobile media sector today. This, in turn, will bring relief to the issue of the mass transit mobile TV market lacking a common “trading currency.” This evaluation system’s value is enhanced by real-time transmission technology. Since the broadcasting time between the rolling technology-based mass transit mobile TVs are not synchronized, it is difficult to evaluate the audience unless advertisements are sent through the point-emission technology.

CTR is very experienced in promoting standards for the media industry. In regards to the cooperation, the company’s vice president, Tian Tao, stated, “Mass transit media has just begun its development in China. Audiences are gradually watching out-of-home media for longer periods of time than they do so in-home, because mass transit mobile TV media has become a simpler and more convenient way for audiences to obtain information. According to CTR’s projection, the mass transit TV market in 2008 will reach RMB 1.5 billion. Furthermore, the audience measurement index will equip the entire mass transit mobile media industry and advertisers with more efficient ways to provide positive and effective guidance and facilitate the integrated development of the whole industry chain.”

The launch of the audience measurement index has attracted both major attention from the new media industry and advertisers, namely globally influential 4A advertising companies who have highly recognized the evaluation system. “Many people hold the subjective view that the mass transit audiences have limited spending power,” says Wei Lijin, managing director of GroupM China. Wei continued to say that “income level does not directly correlate with the amount of disposable income an individual has because it does not account for spending habits. I witnessed mass transit passengers carrying real Gucci products. Mass transit TV media needs to become familiar with market needs – is there more demand for consumer goods, health products, or high-end fashion goods? This new system will help us to evaluate the present situation.”

According to industry resources, customer concerns regarding the new mass transit mobile TV media still exist. The most significant obstacle preventing further

development of the industry is the absence of official third party data that can be used to gauge the value of the media. As the largest operator and the only NASDAQ-listed company in the industry, VisionChina Media's initiative has reflected a market leader's position and sense of responsibility. With the establishment of the mass transit TV evaluation standard, it is expected that VisionChina Media will reshape the mass transit mobile TV market and increase its value. Meanwhile, VisionChina Media will also enhance its own company value to revolutionize the industry as a whole.