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Feb 2010

HAPPY NEW YEAR
新年 2010



CCTV Ad Kicks off 2010 with a Good Beginning

China Network Television Adopts 5+2 Mode

2009 TV Viewing Summary

Rare Resource Brings up Unique Value of
Spring Festival Gala

Unilever Returns to Prime Resource to Pro-
mote 5 Key Brands

Enjoy World Cup on CCTV

The World Cup,
a battlefield of warriors
and a stage of stars.
CCTV goes with you to touch
the exciting green field
and the dreams of football.



Believe in the Power
of Brands 相信品牌的力量

2010 看我 看中国

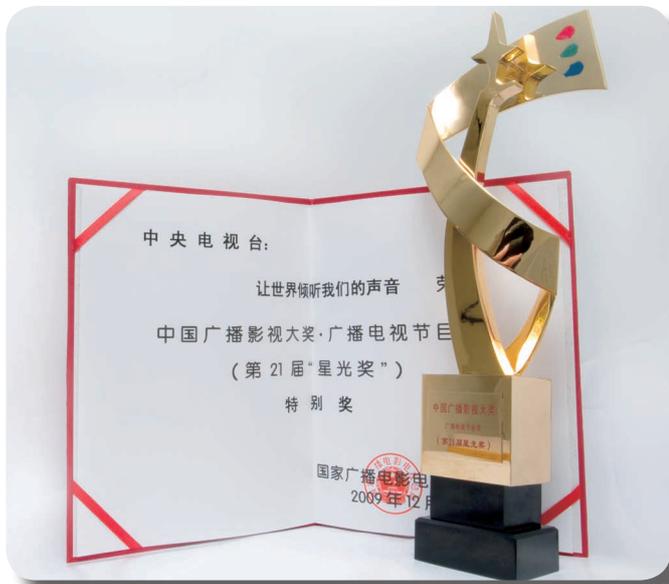
2010, Watch CCTV, Focus on China

CCTV

中国中央电视台广告部
CHINA CENTRAL TELEVISION ADVERTISING DEPT

网址: ad.cctv.com

Let the World Hear Our Voice Wins the 21st Starlight Prize



On January 19, the ceremony of the China TV Broadcasting, Film & TV Awards – Broadcasting TV Awards (the 21st Starlight Prize) that represents the highest accolade in China's TV industry was held in Zhengzhou, Henan province. The publicity video titled Let the World Hear Our Voice produced by the CCTV Advertising Department won the Special Award.

The video uses Jasmine as its background music that helps to express China's wish to embrace the world and let the world learn more about China, as well as CCTV's efforts to go to the world and better communicate with the world, which are in line with the internationalization strategy of CCTV.

33.88%

In 2009, CCTV's audience market share reached 33.88%.

99.44%

The national reach rate in 2009 was 99.44% for CCTV, and was 97.94% for CCTV-1, which is 1.03 percentage higher than the reach rate in 2008. The reach rate of CCTV-7, 90.46%, was the second highest in China.

1460

In 2009, the Children Channel fully played its role as a superior domestic animation broadcasting platform, and debuted up to 1460 broadcasting hours (87,600 minutes) of domestic animation.

70.67%

The household entry rate of CCTV News Channel in the second half of 2009 has reached 70.67%, up by nearly 5% from 65.73% in the first half of the year.

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CCTV Advertising Business Kicks off 2010 with a Good Beginning

Prime Advertising Resources Fall Short of Demand

In January 2010, advertising on CCTV Prime Resource saw a lasting boom and fell short of the demand. Nearly 80 domestic and overseas famous names vie to place advertisements on CCTV Prime Resource. Among them are Unilever, Agricultural Bank of China, China Telecommunications, Mengniu, Toyota FAW, China Pacific Insurance Co., Ltd, Yili, Midea, Gree, Yurun, Harbin Pharmaceutical Group Sixth Pharmaceutical Factory, Hainan Airlines, ZOTYE Auto, etc.

Enterprises such as Yingjia Royal Liquor, China Everbright Bank, Fen Liquor, Luhua, Hetao Liquor, Hainan Airlines, ZOTYE Auto, and Yayi Industry have placed advertisements as a reminder of CCTV News Broadcast; Guizhou Moutai has placed a time-teller advertisement counting down to CCTV News Broadcast; and Noah, Blue Moon, Jiante, China Industrial Bank, Jin Brand Co., Ltd, Yurun, Harbin Pharmaceutical Group Sixth Pharmaceutical Factory, Ausnutria Dairy, China CITIC Bank, Midea, Gree, VV, COFCO Wines & Spirits, and Feihe Dairy have placed screen advertisements following CCTV News Broadcast.

Huiyuan, Jiuyang, Betis, etc. have placed 1+1 advertisements at CCTV Whether Forecast; Changyu Pioneer Wine has placed special advertisements serving as an introduction to CCTV Weather Forecast.

Taikang Life Insurance, STRONG, Unilever, Galanz, Agricultural Bank of China, Lolo, Postal Savings Bank of China, China Telecommunications, Mengniu, Wondersun, Toyota FAW, China Pacific Insurance Co., Ltd, Shanghai Pudong Development Bank, Nongfu Spring, People's Insurance Company, Budweiser, and so on placed advertisements in A special section.

Shuanggou, Hasee Computers, Jinliufu, and Jiugui Liquor placed advertisements following the introductory summary of Topics in Focus; STRONG, Taiji Group, Yili, Totole, Arawana, Zhijiang Liquor, Redbull, and General Motors placed advertisements following Topics in Focus.



Advertising during TV Series Flourishes

In 2010, CCTV will increase its spending by 50% on the best TV series resources. CCTV's fine collection of TV series keeps clients staying in favor of its advertising products during CCTV-1 Golden Theater, as evidenced by old clients' continuous support and new clients' active placement. Placement of advertisements during Sponsored TV Theater, Cooperative Enterprises for CCTV-1 Evening TV Theaters, as well as CCTV-1 Golden Theater stays in the focus of enterprises' attention.

By a RMB 203.9 million deal, Mengniu became the "Title Sponsor for CCTV-1 Golden Theater" for the first half of 2010, with a view to maintaining close communication with hundreds of millions of consumers through the best TV series platform in China. Furthermore, it secured the "Placement of Advertisements in CCTV-1 Golden Theater". By a RMB 128.5 million deal, Nice became the "Title

Sponsor for CCTV-1 Gold Theatre" for the second half of 2010.

To intensify its advertisement placement in CCTV, Hasee Computers mounted a winning bid of over RMB 100 million for becoming one of the "Cooperative Enterprises for CCTV-1 Evening TV Theaters" and for placing an advertisement following the "Introductory Summary of Topics in Focus". Guangdong BaWang International (Group) Holding Limited mounted a winning bid of RMB 110 million for becoming one of the "Cooperative Enterprises for CCTV-1 Evening TV Theaters," with a view to combining its brand closely with superior advertising resources, facilitating brand upgrade, and thus leading itself to new heights of development.

In 2010, Bank of China, China Unicom as well as the new bidder ZOTYE Auto also placed advertisements in "CCTV-1 Golden Theater."

International Enterprises Stay Optimistic to Chinese Market

Polman, Global CEO of Unilever, once said to the media: "To succeed globally, you must succeed first in China." Having undergone the financial storm, international enterprises in China spontaneously reached a consensus on that. Since the beginning of 2010, observations of international enterprises' advertisement placements, whether on CCTV Prime Resource or during major programs such as the Spring Festival Gala, the Winter Olympics and so on, reflect the full confidence, increased attention and more input of the

international enterprises in the Chinese market.

In 2010, Unilever is making full use of CCTV Special A section to promote its brands including Zhonghua, Clear, OMO and Comfort. Since January 11, 2010, BMW F07's 30-second elegant advertisement has been aired on CCTV-1 Evening News and CCTV-2 Dialogue, reminiscent of Louis Vuitton's 90-second gorgeous advertisement on CCTV-2 Economic News Bulletin. The frequent appearance of international luxury brands on CCTV is further evidence for the



unshakable status of the Chinese market in the financial storm. This year, Volkswagen and Audi also frequent CCTV. Throughout 2010, their 15-second advertisements will be aired immediately preceding CCTV-1 Evening News and CCTV-2 Economic 30', and from March, they will place advertisements in A special section for 10 consecutive

months.

The Winter Olympics 2010 will be held from February 12 to 28 in Vancouver. Audi purchased the Winter Olympics advertisement package; Budweiser, as the most loyal supporter of sports marketing, also signed the same deal.

There are still many other international enterprises seizing the opportunity to place advertisements on CCTV. For example, LG once again became a DTV partner for CCTV's Sports Channel. Since January, China Unicom iPhone has successively embarked on advertisement sections during CCTV-1 Golden Theater and preceding Starry Night Theater. During CCTV Spring Festival Gala, Dabao will run a special new-year advertisement reading "Dabao comes along with good fortune, bringing you moisturizing care."

The whole year's work depends on a good start in spring. International enterprises vying to start the year with CCTV stirred a marketing upsurge in the Chinese market.

Spring Festival Gala in Favor, the Number of Clients Reaches a New High

The Spring Festival is a season featuring the most intensive consumption as well as the richest choices for consumers. It also serves as a good opportunity for many enterprises to increase their market shares and improve their images. The annual CCTV Spring Festival Gala is undoubtedly the most efficient communications medium in this specific period. The sales of advertising projects for the Spring Festival Gala 2010 are booming as before, and the number of contracted clients, coming from a variety of industries including food and beverage, home appliances, automobiles, finance, medicine & pharmacy, daily chemicals, IT high technology, clothing, etc., has reached a new high of several dozens.

Purchasers of advertising projects for the Spring Festival Gala 2010 not only include CCTV's as well as the Gala's old clients, such as Midea (which has placed the time-teller advertisement for the



Spring Festival Gala for 10 years), Lang Jiu (which has been the title sponsor for “Selection of My Favorite Spring Festival Gala Programs”), China Mobile, China Unicom, Gree Electric, Yili, Yanjing Beer, Yanghe Group, Chery, China FAW, Asia Pharmaceutical Group, Nanfu, China Pacific Insurance Co., Ltd., etc., but also cover many new clients, such as Little Swan Group, Jala Group, Nafine Chemical Industry Group, Dabao Group, ZOTYE Auto, Dong Feng Motor Corporation Passenger Vehicle Company, China Universal Asset Management Co., Ltd., Acer,

Double Star Group, Oak Pacific Interactive, etc.

For enterprises, apart from a steady, super high annual audience shares of about 80% and hundreds of millions of audience, behind the astonishing figures there is even higher value that cannot be measured by figures, that is, displaying brands in a happy, harmonious atmosphere, communicating feelings at the happy moment of family reunion, and demonstrating status with the attention of all the Chinese around the globe.

Winter Olympics Sees Robust Ad Sales

The Winter Olympics 2010 happen to coincide with the Chinese Spring Festival. For enterprises, the Vancouver Winter Olympics to be held during the Spring Festival is yet another opportunity for sports marketing.

For the Vancouver Winter Olympics 2010, China will send a delegation of over 200 athletes to take part in short-track speed skating, speed skating, figure skating, ice hockey, freestyle skiing, biathlon, curling, snowboarding, etc. Applying the same standard as for the Beijing Olympic Games, CCTV will allocate three channels, namely CCTV-1, CCTV-5 and CCTV-7 to publicize and broadcast the Winter Olympics. From 9:00 to 12:00 everyday, CCTV-1 will air highlight events and reveal to the audience all of the 86 gold medals for the Vancouver Winter Olympics. In addition, from 22:00 to 00:00, CCTV-1 will broadcast The Winter Olympics Panorama, a news program intended to promote the Winter Olympics stars. Remaining the main channel for the Winter Olympics, CCTV-5 will broadcast the event at 7 time slots everyday, covering live broadcast of events, videos of highlight events, as well as a series of feature programs. From 8:30 to 12:30 everyday, CCTV-7 will play videos of classic Winter Olympics events.

By the deadline for this article, dozens of enterprises have decided on their advertising projects on CCTV. Such enterprises include Midea (winner of the bid for exclusive sponsor for Wonderful Instant since the 2010 Bidding Conference), Wahaha (title sponsor for Guide to Winter Olympic Events and subscriber of advertising package at the opening and closing ceremonies), TCL Group, Chery, Shanghai GM, Kimderlite Diamond, Hongdou Group, Hetao Liquor, Yanjing Beer, Anta International, Jordan (China) Co., Ltd., etc.



CCTV Public Service Advertisements in 2009 Won Various Awards

CCTV Advertising Department, following the brand concept of “public service advertisement is also a lamp”, continued to commit to the production and broadcasting of PSAs in 2009. Many themed PSAs were launched, including “Our Festival, Spring Festival”, “Prevent A (H1N1) Flu”, “Be Righteous, Promote Harmony”, “Welcome the National Day, Behave Civilly, Build a New Atmosphere”, “Festival, Solar Terms”, “Launch High-definition Channel”, “Believe in the Power of Brand”, etc.

CCTV Advertising Department, guided by the thoughts of “Creating Boutique”, organized professional teams to produce themed PSAs; organized expert review panels to strictly select the works; invited internationally renowned creative experts to act as art director. Many PSAs were praised extensively for their unique creativity and excellent production.

For Wash Painting, Tomaz Mok, a jury member of Cannes Lions Advertising Campaign, Clio Awards, The New York Festivals, Asia Pacific Advertising Festival etc. and also a board member of the New York Festival, was the art director; Niko from Germany, the top visual effect director renowned in Europe, was the director. It was awarded the Best Publicity Trailer and the Best Visual Effect Award in the “BDA Asia Awards” (the Oscars of the television industry), and grand award in the third Shooting Awards.

For Seat, Lao Shuang'en (Ma Yan), a jury member of Cannes Lions Advertising Campaign, Clio Awards, Asia Pacific Advertising Festival etc. who was rewarded numerous awards, was the art director; Gao Xiaolong, the executive director of Beijing Olympics Publicity Trailer and Shanghai Expo Publicity Trailer and director of The Four Treasures of the Study in the opening ceremony of Beijing





Olympics, was the director. It was awarded grand award in the third Shooting Awards together with Wash Painting.

Let the World Hear Our Voice directed by a globally renowned team presents international thinking of CCTV. It was awarded in the 21st Starlight Awards.

Yao Ming and Gymnastics were awarded outstanding awards in the “Be Righteous, Promote Harmony” national PSA creation, exhibition and evaluation campaign. CCTV was awarded outstanding organization award in the campaign.

PSAs produced by CCTV won many awards in the 5th China (Sanya) International TV Advertising Art Week. Wash Painting of “Believe in the Power of Brand” was awarded grand award; Yao Ming of “Be Righteous, Promote Harmony”, Wash Painting of “Believe in the Power of Brand”, and Tracing of “Prevent A (H1N1) Flu” were awarded the best PSA awards; Seat of “Believe in the Power of Brand”, Chinese New Year, Chinese Love and Chinese Style of “Our Festival, Spring Festival”, China My Love of “Welcome the National Day, Behave Civilly, Build a New Atmosphere”, Gymnastics of “Be

Righteous, Promote Harmony”, and Teacher’s Day of “Festival, Solar Terms” were awarded excellent PSA awards.

According to the statistics, 3,048,299 seconds and 120,073 times of PSAs were broadcasted in CCTV in 2009. CCTV has the highest amount of PSAs and the highest proportion of PSAs duration to the duration of commercial advertisements in China. As a national television, CCTV is always committed to the production and broadcasting of PSAs, and is the leader of China’s PSAs sector. CCTV input numerous resources in the production and broadcasting of PSAs. It also tries to explore and establish a complete PSAs production mechanism, which enables not only production of boutiques based on publicity themes of the country, but also quick response to emergency events, in order to improve the effect and influence of PSAs to a new level and further play the social responsibilities of a national television.

China Network Television Adopts 5+2 Mode

Actively Exploring into the New Fields of Internet Communications
Constantly Extending the Coverage and Influence of Mainstream Media



Li Changchun, member of the Standing Committee of the Political Bureau of the CPC Central Committee clicked open the CNTV.

On December 28, 2009, the launching ceremony for China Network Television (CNTV) was held in Beijing. Li Changchun, member of the Standing Committee of the Political Bureau of the CPC Central Committee was present at the ceremony, and he “clicked open” the CNTV in person.

Li Changchun gave his congratulations on the launch of CNTV, and laid stress on the following: In the modern society with highly advanced information communication technologies, it is an inevitable

tendency for mainstream media to extend to new communication fields such as the Internet. Mainstream media, during the process of strengthening their communication abilities, must enhance their sense of urgency and initiative to extend to the Internet and play an active role in exploring new media fields.

China Network Television (CNTV for short, domain name: www.cntv.cn) is a national institution for network TV broadcasting established on the basis of CCTV.COM. Centering on visual and audio interaction and integrating network and television features, CNTV serves as a global, multilingual, and multi-terminal public service platform. So far, it has established five overseas mirror sites, covering Europe, North America, Southeast Asia, the Middle East and Russia. CNTV adopts a “5+2” mode, namely “Front Page and Client + News Channel, Sports Channel, Variety Show Channel, Podcast Channel and TV Search Channel” The first batch of contents online includes the Front Page, Client, News Channel, Sports Channel, Variety Show Channel, Xiyou (Podcast Channel) and Bugu (TV Search Channel).

C-BOX is CNTV’s client program. After installing it, Internet viewers can access CNTV from the desktop and enjoy its abundant premium video contents and powerful video-related functions and services, including live video broadcasting, video-on-demand, listing of TV stations, smart listings, TV program-on-demand, and collection of favorites, all made available for customized TV program broadcasting and prompting.



various fields in video and digital form, with a view to establishing China's largest, the most influential multimedia database concentrating on network videos, and to building itself up into the largest institution in China for the communication of copyright network videos.

From 2010, CNTV will put online a series of channels successively, covering a wide range from finance, movies, TV series, discovery, health, weather, home life, tourism, education, nationalities to music. By 2012, CNTV will launch to audience all over the world programs in eight languages including English, French, Spanish, Russian, Japanese, Korean, Portuguese, and Arabic, and at the same time, cooperate with local TV stations to produce and broadcast

"Xiyou" is CCTV's video-sharing interaction platform, which encourages cyber citizens to create, edit and share wholesome, quality network videos. Integrating TV features and network properties, "ixiyou" aims to become a high-level, open platform for video uploading, sharing, searching and broadcasting. Outstanding Internet works have a chance to be displayed on CCTV programs, thereby realizing network videos' even greater social value.

"Bugu" is CNTV's service platform for searching TV programs. It provides services such as interactive live broadcasting of TV programs, classified VOD classification, program guidance, etc. The platform, which provides nine options for users to find their desired programs within three steps, represents a free, expeditious alternative for viewers of network TV programs.

CNTV will draw on the depths of CCTV's 450,000-hour archives of outstanding videos, and gather up over 1,000-hour video programs broadcasted everyday by TV stations all over the country. Meanwhile, CNTV will promote the Chinese historical culture of

programs in minority languages such as Mongolian, Tibetan, Uyghur, etc. In addition, not limited just to computer screens, CNTV's receiving terminals cover a wide range of communication channels including cell phone, IPTV, outdoor screens, elevator TV, as well as mobile screens on airplanes or trains.



China TV Series Production Center Ltd. Breaks Ground

CCTV TV Series More Eagerly Anticipated

With "Ltd." officially added to its name on December 29, 2009, CCTV's China TV Series Production Center — the largest national TV series producer in China, with a history of 26 years — transformed from a public institution into an enterprise. This is a milestone in the reform of China's television media to separate production and broadcasting, as well as in the marketization of operable capital.

China TV Series Production Center Ltd. is a wholly-funded company that is owned, managed and controlled by CCTV. The company will retain the brand of its predecessor, and will officially become a national base for the production of movies and TV series on major revolutionary and historical themes. It will also expand its main business from being TV-drama production only as it is now to full-range production and distribution of TV series, movies, documentaries, TV programs, cartoons, imported films, etc.; and its products, which are now only in the forms for TV media, will also extend to multimedia such as TV, network, mobile terminal, and so on.

Xue Jijun, former director of China TV Series Production Center and now general manager of its successor, indicates that the

company, after a period of development, will introduce strategic investment to reorganize itself into a joint-stock company, and will become a major, comprehensive group in the cultural industry by virtue of CCTV's internal resource integration and restructuring, as well as the largest State-controlled key enterprise in the movie and TV series industry in China.

Founded on October 18, 1983, China TV Series Production Center is a CCTV-owned institution specializing in the creation and production of TV series. As the most time-honored national TV-drama producer, the Center produced great works including A Dream of Red Mansions, Pilgrimage to the West, Romance of the Three Kingdoms, All Men Are Brothers, etc. which are well-known to every household in China, many winning national awards every year. In May 1986, the 25-episode TV series, A Dream of Red Mansions, was aired on CCTV and ATV and turned out to be a big hit. Scoring an audience rating of over 70%, it created a "Red Mansions" fever sweeping Mainland China and Hong Kong.



New Finance Channel Takes 70% of National Finance Programs Market



According to CSM's data on 35 capital cities, in 2009, the market share of the Finance Channel among all finance programs nationwide increased from 57% between July 1 and August 23 to 70% between August 24 and December 12, up 23%. Between December 1 and 26, 2009, the Finance Channel's market share reached 1.4%, up 11% from September 2009 when the reformation was started. It is worth mentioning that in December 26, 2009, the Finance Channel's audience share reached a record high of 1.63% since it was launched. Between December 1 and 27, 2009, the channel saw an average audience share of 1.01% and all of its programs witnessed a steady growth in their audience shares. Among other things, First Focus has maintained an average audience share of over 1.5%; new programs including Transaction Time (AM), Global Finance (Noon), Wealth Management Online, Opinions on Consumption, and Market Analysis Studio have all achieved an audience share of 1% or around about that, indicating their high competitiveness in serving the needs of the audience.

Since it was launched on August 24, 2009, the Finance Channel has seen an obvious optimization of its audience structure, as evidenced by a marked increase of its appeal particularly for well-educated, high-income or highly influential people. Between August 24 and December 12, 2009, by comparison with the period between August 1 and 23 of the same year, the concentration of audience with a university or higher degree increased by 13%; the concentration of audience at management level by 32%; and the concentration of audience with an identity as a government functionary or an employee by 5%.

Reformatted in August 24, 2009, the Finance Channel (CCTV-2) started 24-hour broadcast from November 25, 2009. Redefining its role as "a window of finance policies, a guide to investment and wealth management, and a helper for economic life," the Finance Channel is committed to building a new channel framework and gradually improving it. Building on the new concept of "global vision, global market, global resources, and global wisdom," the channel has developed new thinking and values, while its "new vision of the earth from the moon" has led its coverage to even wider horizons: the Finance Channel established "Live Broadcast Bases" in capital markets such as Shanghai, Shenzhen, Hong Kong, Tokyo, Singapore, New York, London, Frankfurt and so on, with a view to synchronizing its viewers with the global market and economy by global multi-point broadcasting. By innovating its concepts, developing new resources and introducing a new operation mode, the Finance Channel has accomplished the preliminary stage in building itself up into a world-class finance medium.

China Network Television Launched Five Specialized Channels

On January 18, China Network Television launched 5 specialized channels of Movies, TV Series, Economics, Exploration and Documentary, covering movies and TV, economics, nature, science, humanity, and history domains. The newly introduced specialized channels will utilize functions and technologies including rotating broadcast, live broadcast, VOD, dynamic code flow, interactive broadcasting window, and highlight cinema like effect experience, interactive experience and originally created contents, in order to strive to provide the users with the fastest, most authoritative, most comprehensive services with the richest contents which stay close to daily life.



Finland STV CEO Visits CCTV

CCTV Deputy Editor-in-chief Yuan Zhengming held a meeting with CEO Hannu Haukka of Finland STV and entourage on January 20. Yuan pointed out that it was feasible for both parties to exchange news programs, TV specials as well as shooting crew. He remarked that it was advisable to sign detailed agreements to facilitate future

work. Hannu Haukka expressed that the Finnish TV audience were very interested in the development of China; he hoped that, between STV and CCTV, a system might be established for exchange of programs introducing the rapid growth of China. STV is the fifth Finnish channel.

Sudan's Ambassador Visited Arabic International Channel

On January 13, Mirghani Mohamed Salih, Sudan's Ambassador to China, visited the Arabic International Channel, and held a talk with related staff members. Mirghani praised the contributions made by the Arabic Channel in improving the understanding of the Arab population toward China, and thought that the popularity and the influence of the Arabic Channel among the Arab population was

improving day by day, more and more Arabs shifted from viewing traditional Arabic media to watching CCTV Arabic programs; he wished the Arabic Channel to become a world famous channel with Chinese characteristics for communicating Chinese culture. Mirghani also visited the news studio of the Arabic Channel.

3 Lebanese TV Stations Broadcast “Walking Closer to China”

Up till the end of December 2009, the Lebanon National Broadcast Network TV Station has broadcast all the 17 TV programs provided by CCTV “Walking Closer to China” event at the frequency of two per week; the Lebanon National TV Station progressively broadcast 11 programs provide by “Walking Closer to China” including “Unknown Life Code — Giant Panda”, “In Beijing”, and arranged re-broadcasting; Lebanon Future TV Station broadcast 5 TV programs including the “Old Summer Palace”, “Exploring Tulou” etc and arranged re-broadcasting. The programs played positive role in helping Arab audience learn about China.



Jordan TV Station Visited CCTV for Business Exchange

Recently, the Director of Jordan National TV Station News Center Ferras Majali visited CCTV, and held a training session for staff members of the Arabic International Channel on Arabic news writing, perspectives on reporting Middle East affairs, Arabic TV broadcasting and interpretation, etc. During the session, when holding talks with Ferras, the chief of the Overseas Center indicated that CCTV hoped to strengthen cooperation with Jordan TV Station, in order to further

expand the news resources of all CCTV international channels. Both sides also held consultation over the setup of overseas bureaus. In November 2009, during the period when visiting the Middle East region for joint recruitment of Arabic experts, the Overseas Center and the Foreign Affair Office had reached agreement on exchange and training with the Jordan TV Station.

Sun Yusheng Met General Manager of Taiwan CTiTV

On January 12, Vice Director Sun Yusheng met Liao Fushun, the General Manager of Taiwan CTiTV. Sun introduced the development history of CCTV, and communicated with the guests around the improvement, adjustment and enhancement of CCTV News Channel etc. Liao Fushun indicated that CTiTV was willing to carry out long

term cooperation with CCTV, and provide assistance and support to CCTV reporters for their reporting work in Taiwan. After the meeting, Liao Fushun and his delegation also visited CCTV.COM TV production and broadcasting studios.

Finance Channel Held the First CCTV Annual Meeting on Chinese Economy

On January 17, the first CCTV Annual Meeting on Chinese Economy hosted by the Finance Channel was closed in Beijing. Themed with "Analysis and Outlook of Macro Economy", the Annual Meeting explored the direction of China's macro economy, released the study results of industry institutions, and shared wisdom in the area of global economic research. A total of over 600

persons including relevant representatives of domestic competent departments in charge of economic issues, leaders in business circle, personalities from domestic and overseas economic organizations and institutions, domestic and overseas economists as well as media representatives attended the Annual Meeting.

Multiple Works of CCTV Awarded TV Art Starlight Prize

Recently, the results of the 21st TV Art Starlight Prize were announced, a number of works from CCTV were awarded prizes. The “Dedication of Love——2008 Propaganda Culture Sector Earthquake Relief Major Donation Event” of CCTV Arts Center was awarded special prize; 4 works including “2008 CCTV Spring Festival Gala” were awarded Variety Program Prize; “Dedicating to the Practice of the Reform and Opening-up Policy 30th Anniversary Dancing Fine Performance Gala” was awarded Song and Dancing Program Prize; “After 30 years ——Hundred Golden Songs Serial Recital”, “The 13th CCTV Youth Singer TV Competition” were awarded Music Program Prize; “Spring of Opera in a Flourishing Age——2008 Spring Festival Theatrical Opera Gala” was awarded Theatrical Opera Program Prize. “The Road to Rejuvenation” of Advertising Economic Information Center, the “Song of the Forest” of Social Education Center were awarded Documentary Prize. The “2009 New Year New Poem Festival” of the Adolescent Center was awarded literature Program Prize; “Colorful Dress of Love” was awarded Teenager Program Prize. “Art Life”, “Airborne Theatre”, “Avenue

of Stars” of CCTV Arts Center were awarded Art Program Prize. “Teenager Di Renjie”, “Romance of the Three Kingdoms” of the parent company were awarded Animation Prize. “Moving China 2007 Personality Prize Awarding Ceremony” of the News Center, “Our Olympic ——Smile•1988” of the Sports Center, “Let the World Listen to Our Voice” of the Advertisement Economic Information Center, “Hero Teenager 2008 Earthquake and Disaster Relief Rescue Hero Teenager Award Presentation Ceremony” of the Adolescent Center were awarded special prize.



DTV Maintain Leading Position in Nationwide Pay TV Market

In 2009, China DTV Media adopted the marketing strategy of mutual benefits, in order to further standardize internal management, strive to change profit earning model, promote diversified development strategy, and continue its leading position in nationwide Pay TV market. Firstly, by the end of December, it has occupied above 55% market share in the nationwide digital Pay TV market; secondly, the number of its platform channels has reached 50, the number of its contracted network companies has reached

217, making it a specialized digital TV platform with the largest number of integrated channels, and the richest channel varieties and contents in China; thirdly, it has achieved nationwide coverage sales outside Hong Kong, Macao and Taiwan; fourthly, it strives to explore operation space for new media, and has developed a core competition advantage integrating content assembly, production and operation.

Audience Shares of Children Channel in 2009 Reached up to 2.59%



In the last week of December 2009, the Children Channel received a fine result of 3.62% audience shares. In 2009, the average audience share of the channel was raised up to 2.59%, 0.39% higher than the annual share target value, ranking 7th among 58 satellite channels nationwide.

Household Entry Rate of News Channel Recorded Fast Growth in 2009

According to survey results, the household entry rate of CCTV News Channel in the second half of 2009 has reached 70.67%, up by nearly 5% from 65.73% in the first half of the year; it is the channel with the fastest growth of household entry rate in CCTV. On May 27, 2009, after CCTV News Channel is changed from encrypted

transmission to non-encrypted transmission, its household entry rate maintained fast growing momentum. At present, the household entry rate of CCTV News Channel ranks the 12th among all channels across the station, and the 16th among satellite channels nationwide.

CCTV Holds Sports Events Marketing Seminar

CCTV Sports Events Marketing Seminar and the Fifth Award Ceremony of Classic Cases of Sports Events Marketing were held on January 6, 2010 in Beijing Media Center. Leaders of General Administration of Sports of China, the Chinese Olympic Committee and CCTV, were presented in the ceremony. Besides, representatives from dozens of enterprises and over 300 invited guests were also presented. Zhang Bin and Liu Yu from CCTV host the ceremony.

Liu Fumin, director of Department of Sports Economics of General Administration of Sport of China, and Peng Xiao, deputy director of Sports Equipment Administrative Center, delivered speech. Jiang Heping, director of CCTV Sports Center, introduced the broadcasting strength and reporting advantages of CCTV in 2010 Vancouver Olympic Winter Games, South Africa World Cup, Singapore Youth Olympic Games and Guangzhou Asian Games. He Haiming, deputy director of CCTV Advertising Department, introduced the classic cases of sports events marketing based on CCTV, including Lenovo, Haier, McDonalds, Adidas, Wong long Cat,

Snow Beer, Hyndai, DHL and China Mobile Communications cases.

Top Ten Classic Cases of the Fifth CCTV Sports Events Marketing Seminar were revealed in the ceremony, including Xtep, China CITIC Bank, TCL, Bank of Beijing, JAC, Sohu, ERKE, Beijing Xingwei Sports Goods Co., Ltd., Peak and Tsingtao Beer cases.



Top Advertisers during Vancouver Winter Olympics 2010

Advertiser: Midea Group

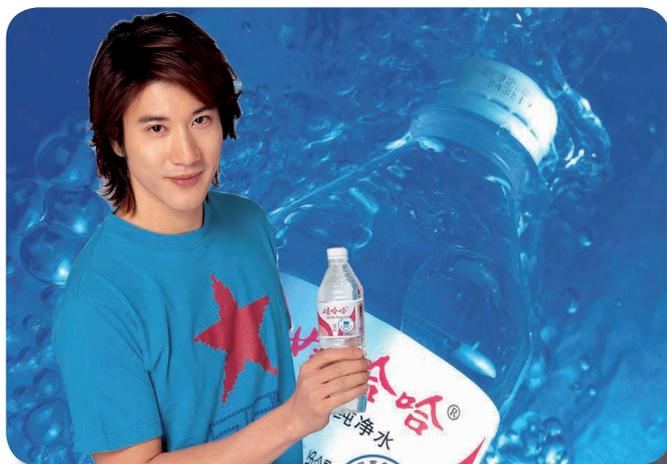
Project: Exclusive sponsor for The Moments

Sports and Olympic marketing constitutes an important part of the marketing strategies, especially during the Beijing 2008 Olympic Games. Midea has, on the one hand, started a series of programs with the National Diving Team and Swimming Team of China, and on the other hand, been energetic in bidding for CCTV Olympic resources, wishing to promote the brand and its products with a pull from CCTV. In 2010, Midea again wins the title sponsorship for the program of The Moments (Jing Cai Shun Jian).



Advertiser: Wahaha Group

Project: Title Sponsorship for Guide to Winter Olympic Events; ad package for the opening and closing ceremonies



In 2009, Wahaha has yielded more than 10 million tons of products, reaching an annual revenue as much as RMB 43.2 billion, a 32% growth year-on-year; the profit and tax in the lump amounts to 12.6 billion, 83% up from the previous year. Starting the year 2010, Wahaha has retained its momentum. And since the Spring Festival will be a consumption peak for beverage and drinks, Wahaha is likely to hit a new height, by combing its momentum, the seasonable fortunes, as well as the platform of CCTV and Winter Olympics.



Advertiser: Chery Automobile

Project: Ad package for Olympic programs and P&S for Sports World at CCTV-1, 5, 7

Chery is the first Chinese auto brand showing up during the Beijing 2008 Olympic Games, and has supplied the Games with 50 vehicles out of the 80 serving the Olympic transportation. In the upcoming Vancouver Winter Olympics 2010, Chery will be connected anew with Olympics through the platform of CCTV.

Advertiser: K-boxing (China).

Project: Ad package during broadcast of Winter Olympic events

Consumption of garments as well as the brand awareness has been increasing with the rise of living and consumption level in China. Nevertheless, competition remains tough in the textile and clothing industries, because that a host of domestic enterprises have shifted from foreign to domestic markets and that international brands have crowded into China. Understanding both opportunities and challenges, K-boxing, being a leading enterprise producing men's jackets, has run all out for its 2010 program.



Advertiser: Anta

Project: Customized plan

The fast progress obtained in the domain of sports in China has entailed great opportunities for domestic sports brands; among which, Anta is one that stays loyal to the sports development in China, and has been dedicated to sponsorship and marketing for sports events including the Olympics. In September 2009, Anta officially became a strategic partner of National Aquatics Center and national sports teams. With its successful media strategies, Anta is sure to quicken its growth and add to its reputation.



Advertiser: Li-Ning (China)
Project: Customized plan

The moment at the opening ceremony of the Beijing Olympic Games, when Mr. Li Ning took off and kindled the Olympic torch, has remarked the birth of the first Chinese brand capable of international influence. In the Vancouver Winter Olympics 2010 Li-Ning Brand has chosen to work with CCTV to devise an advertising scheme tailored to international marketing.

Advertiser: Qiaodan (China)
Project: Customized plan

Qiaodan has during its development attached great importance to brand construction. In 2009, it has invested to be a partner of CCTV Sports Channel in the broadcast of basketball events, and thereby promoted itself among more consumers. In 2010, Qiaodan will continue to employ the Winter Olympics to expand its brand influence.



Advertiser: TCL Group
Project: Ad package during news programs

In 2009, TCL Group has advanced the marketing strategy of “upgrading foreign markets and deepening domestic markets”. The Vancouver Winter Olympics 2010 and the Guangzhou Asian Games have undoubtedly both endowed TCL with a favorable overseas marketing platform.





Advertiser: Shanghai GM
Project: Ad package during Winter Olympics news programs

In 2009, Shanghai GM has completed a total sale of 727,631 vehicles, 58.6% up from the previous year, a growth above the average level in the industry. GM has also effected a comprehensive improvement in terms of brand construction, green strategies, R&D, etc. Shanghai GM options closer cooperation with CCTV in order to take the lead in the presently upgoing auto market in China.



Advertiser: Neimenggu Hetao Liquor
Project: P&S for the program of Panorama Olympics

Hetao Liquor has in 2009 obtained a speedy growth, sales of liquor reaching above RMB 1 billion. In 2010, Hetao Liquor has anticipated an achievement greater than 2009. Besides the plan of improvement in production, R&D, and marketing, Hetao Liquor will also have further advertising cooperation with CCTV.

Advertiser: QIHU.COM
Project: Sports World

With the development of IT, internet is deepening in its way into our daily life. QIHU.COM, as a rising force online, has become a chief platform for entertainment and recreation of internet surfers. We believe that, through cooperation with CCTV, which is anticipated to collect a higher audience rating and a higher level of attention, QIHU.COM will be introduced to and used by more people.



Unilever Returns to Prime Resource to Promote 5 Key Brands

An interview with Patrick Zhou, Media Director of Unilever Greater China, by Yihan Wang

On November 18, 2009, Beijing Media Center, the bidding results for CCTV Special A time slot were disclosed, Unilever won Unit1, Unit4 and Unit5. Special A is a period of air time between CCTV-1 Weather Forecast and Topics in Focus; it is the most valuable ad resource competed by the fast consumables industry. This is the first return of Unilever to CCTV Prime Resource Bidding after it won Topics in Focus in 2005 and the first time to take part in an open competitive bidding. Immediately after the advent of the New Year, we interviewed Patrick Zhou, Media Director of Unilever Greater China, to deepen our understanding of the advertisement strategy of Unilever at CCTV Prime Resources in 2010.

Reporter: How was Unilever's performance in the Chinese market in 2009?

Patrick Zhou: In 2009 Unilever achieved satisfactory results in the Chinese market. After a certain period of economic downturn, starting from the second quarter and from the third quarter onwards, our market sales rebounded rapidly, and very quickly returned to the rapid growth momentum as seen in several consecutive years before 2008. Under such economic environment, such results are very satisfactory.

Reporter: How has Unilever arranged its market planning in 2010? Particularly in the aspect of brand marketing what new ideas does it have for the New Year?

Patrick Zhou: For 2010 the Company has drafted a market target with faster growth. This is because Chinese economy has fully recovered and presented stronger growing momentum than anytime in the past. Unilever has maintained fast growth in the recent several years, in 2010 or even five to ten years in the future, it will continue to

target at keeping fast growth. In the aspect of brand marketing, apart from continual operation of some of our very mature brands, while hoping the market share and sales volume corresponding to each brand keep growing, the company also is constantly introducing new products and new brands, in order to meet the demand of Chinese consumers in a more all-inclusive manner. In 2010 we will introduce one to two new brands step by step to develop different product lines.

Reporter: Unilever shifts its focus of media expenditure to CCTV Prime Resource in 2010, is this also based on the above consideration?

Patrick Zhou: We launch advertisements on CCTV almost every year. Our advertisement in the Prime Resource started in 2005, and later we focused on putting advertisements in other channels of CCTV. In November 2009, we again took part in the bidding of CCTV Prime Resource, and acquired multiple time slots during Special A section. The change in our media strategy is based on the following several reasons, firstly it is related to the target market for overall brand expansion. After several years of development, more brands of our Company have developed into nationwide brands, the core market target of the brands is to build up a truly nationwide brand, and CCTV is a national platform, which coincide perfectly with our wish to build up national brands. Secondly, the Prime Resource of CCTV-1 is a resource with very high influence and media credibility; our brands need to use this feature of CCTV to further enhance the influence and credibility of the brands. In my view this point is also very important.

Reporter: This year how many Unilever brands will show up in CCTV Prime Resource, and why do you choose these brands?

Patrick Zhou: This year we will focus on promoting Zhonghua, Lux, Comfort, Clear, Omo brands in Special A. They are all representative leading brands in their respective sectors, and also brands accounting for our largest sales, therefore they occupy very important position in the whole company's product system. For instance, our Clear shampoo, it has a short marketing history, but it occupied market quickly, since its marketing in 2007 it is rapidly growing into a national brand. This time we will also highlight the promotion of Omo laundry powder during the Prime Resource, the brand of Omo originally enjoyed strong popularity in East China, with top ranking market share. By using the platform of CCTV, we hope to promote it into a powerful national brand; even such brands as Lux and Zhonghua will all strengthen promotion efforts across the nation by utilizing this opportunity. Comfort leads the fabric softener market. Lux and Zhonghua are two old brands. Lux shampoo is already a national brand, and this year marks the 85th anniversary of the birth of Lux brand. We hope to make these brands more fashionable and more oriented toward the younger generation.

Reporter: How are the time slots purchased by Unilever this year distributed for different brands?

Patrick Zhou: Most of our products do not have variation in peak season or off season, only that we want to cooperate with the key promotion periods, for instance January and February are centered on Omo and Comfort, and their advertisements have been arranged at the first and second slots in the Special A section. Other products such as toothpaste, laundry powder, and shampoo do not have the distinction of peak season or off season, advertisements for bath lotion products will more frequently show up in summer. Judging from time slots, there is strong continuity in advertisement launching. We selected different slots, which is mainly based on our considerations to cooperate with different promotion periods of the products.

Reporter: In the advertisement bidding, we notice that Unilever pays special attention to the selection of slot position.

Patrick Zhou: Yes. This point is also very important. This year we attach very high importance to slot position, and are very concerned with the true advertisement broadcasting quality of actual advertisement slots. We all know that many CCTV programs, including CCTV News Broadcast, Weather Forecast and Topics in Focus, etc. enjoy very high audience rating and influence, but advertisement audience rating is not equivalent to program audience rating, therefore we chose the first and second slots, in the hope of obtaining better advertisement audience rating. CCTV bidding provides such an opportunity, for which enterprises can compete for slot position through bidding. Although we paid certain cost, they helped us lock up the slots we want.

Reporter: Generally what kind of indexes does Unilever use to measure advertisement effects?

Patrick Zhou: The first index must be the measurement of its power in driving the nationwide sales and market share of the brand; especially in the target markets with strong popularity of CCTV audience, this is the primary index. Of course, we will also consider the improvement in the understanding toward our brand popularity and media credibility among the entire target audience, and we will continually make follow-up survey and tracking on the impact of the media advertisement in each market.

Reporter: What kind of outlook do you have for the cooperation in the New Year?

Patrick Zhou: This year is a brand new year for Unilever to reestablish comprehensive strategic cooperation with CCTV. We hope by launching advertisements on CCTV, and especially in the best positions of Special A, we will not only further enhance the popularity of a series of brands of Unilever, but also lift our cooperation with CCTV onto a new level. Because I believe that, for media like CCTV with very unique features and powerful influence, its resources are extremely rare and indispensable; therefore we hope to create a satisfactory outcome for mutual development of both the media and the brand through high quality advertisements and dialogues with CCTV.

2009 TV Viewing Summary

Chen Gaojie, Senior Marketing Manager of CCTV Advertising Department

Source: CSM Media Research China Panel Network

1. Significant growth of viewing time

The average viewing time per audience in China boosted in 2009, although not as many events happened in 2009 as in 2008. The average viewing time per audience was 158 minutes in 2009, 5.93 minutes longer than 2008. It is the first rebound after declining for three successive years. The significant rebound especially attributes to the obvious growth in January, November and December.

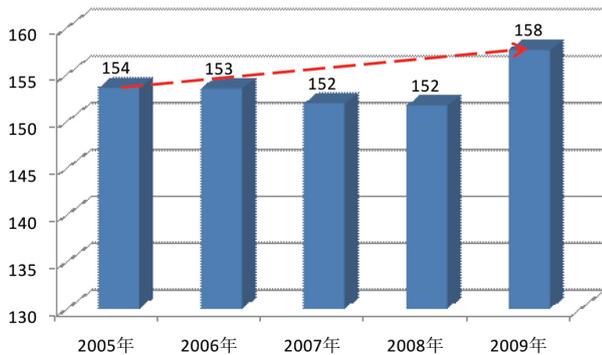


Fig. 1 Average Daily Viewing Time per Audience in China, 2005-2009

2. CCTV takes over 1/3 national audience share

CCTV occupied 33.88% average market share in 2009, more than 1/3, according to the distribution of national TV market share in 2009; whereas provincial satellite TVs occupied 29.62% average market share, less than 30%. Other channels, including terrestrial channels, occupied the highest audience shares, the average market share reached 36.51%.

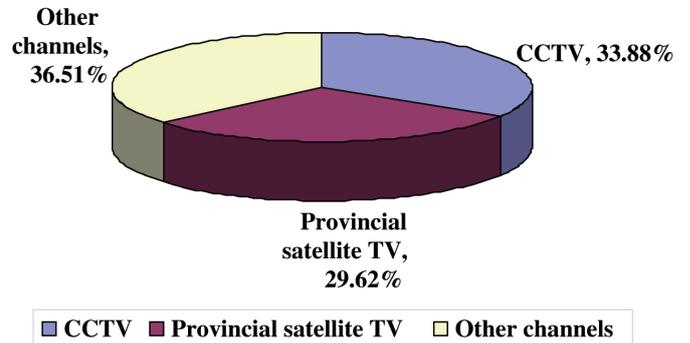


Fig. 2 Distribution of National TV Market Share, 2009

3. CCTV still maintained 12 channels with at least 1% national market share

In 2009, the number of channels with at least 1% national market share was 21, one less than 2008; however, CCTV still maintained 12 channels with at least 1% national market share. Except some narrow target channels, for instance, CCTV-9, CCTV music and CCTV-11, all the rest open circuit channels had at least 1% national market share, making them with national influence.

Table 1 Number of Channels with at Least 1% Market Share (2005-2009)

	2005	2006	2007	2008	2009
Number of channels with at least 1% market share in China	17	20	21	22	21
Number of CCTV channels with at least 1% market share	10	11	12	12	12

4. CCTV channels had taken the lead, and the reach rate of CCTV-1 continued to grow

The national reach rate in 2009 was 99.44% for CCTV, and was 97.94% for CCTV-1, namely, CCTV-1 reached almost every corner of China, which is 1.03 percentage higher than the reach rate in 2008. The reach rate of CCTV-7, 90.46%, was the second highest in China. Hunan TV was the only provincial satellite TV which had the reach rate among national top ten. The other nine channels were from CCTV. The reach rate of the top provincial satellite TV was only 75.9%.

Table 2 Top 20 National Reach of Satellite Channels, 2009

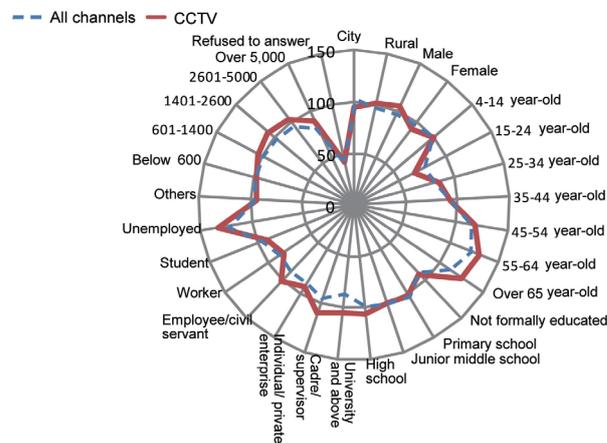
S/N	Channels	National reach rate in %	S/N	Channels	National reach rate in %
1	CCTV-1	97.94	11	CCTV-4	72.91
2	CCTV-7	90.46	12	Shandong TV	70.70
3	CCTV-2	76.62	13	CCTV-10	70.49
4	Hunan TV	75.90	14	Jiangsu TV	67.86
5	CCTV-6	75.30	15	CCTV-11	66.95
6	CCTV-3	74.24	16	Zhejiang TV	66.31
7	CCTV-8	73.89	17	Anhui TV	63.57
8	CCTV-5	73.84	18	Shanghai Dragon TV	60.97
9	CCTV-Children	73.04	19	Sichuan TV	60.35
10	CCTV-News	72.99	20	CCTV-12	56.50

5. CCTV has prominent influence among high-end audience

After comparing the affinity of all TV audience, it is found that the affinity of CCTV among mature audience over 45-year old, the audience with education background over high school and university, the audience with professions of cadre/supervisor/office worker and the audience with monthly income over RMB 5,000 was higher than the national average affinity. It shows that mature audience

with better education and higher income favor CCTV, and CCTV has significantly prominent influence among opinion leaders.

Fig. 3 Comparison of Audience Affinity between CCTV and Other TVs in China



6. All 18 TV series in CCTV-1 Gold Theater were among top 20 satellite channel TV series

All 18 TV series in CCTV-1 Gold Theater were among top 20 prime-time TV series in all satellite channels. CCTV-1 is for sure the best launch platform of the best Chinese TV series.

Among the 40 TV series with top ratings in evening prime time of satellite channel in China, 19 TV series were shown in prime time by CCTV-8. CCTV-8 is for sure the “Second Echelon” of prime-time TV series of satellite channels.

The “Third Echelon” of evening prime-time TV series of satellite channels include some provincial TV stations and some specialized channels of CCTV.



Rare Resource Brings up the Unique Value of Spring Festival Gala

As the Year of Tiger Gala approaches, when the audience and the media one after another again focus their attention on the CCTV Spring Festival Gala, when most netizens are closely watching and discussing what kind of pleasant surprises and excitement this family reunion dinner at the Chinese New Year's Eve in 2010 will bring us, the Gala also attracts the concern of the advertisement circle and the industry circle against a vista of bright prospects.

The Gala is a stage for generating fine works, in recent years, while those wonderful programs refreshed the mind of the audience, they also attracted the eye balls of the investors of trademarks and

domain names as well as the enterprises, expressions. After Liu Qian became popular all over China with his magic show on the stage of the 2009 Gala, TV stations at all levels across the nation one after another opened magic programs, magic props became hot selling items, even the wedding ceremony hosts who could show off one or two sleight of hands on the wedding service market had their salary doubled.

The Gala is a giant carrier, its influence and brand effects is never limited to the period around the Spring Festival period in terms of duration, nor is it confined to China in terms of space. Although

the 2010 CCTV Prime Advertising Resource Bidding is over, the hot demand for the Gala resources and the steadily rising advertisement prices are indeed very impressive; today as the Year of Tiger draws near, the rare resources of the Gala advertisements once again enter the field of vision of the public.

New Folk Custom for Chinese New Year

In 1983, the first CCTV Spring Festival Gala in live broadcasting form was formally launched in CCTV. As a new carrier of the Chinese New Year culture, the Gala came into being with the maturity in TV media. Developing from an entertainment oriented program in its early days to further becoming one of the most popular Chinese New Year programs in later years, the Gala gradually walked into the holiday life of the common Chinese people and even overseas Chinese population. From then on, at 8 o'clock sharp Beijing time in the evening of the lunar New Year's Eve each year, the CCTV Spring Festival Gala will be broadcast on CCTV, the program duration gradually increased from 4 hour 10 minutes to 5 hours, till 1 o'clock in the morning, the program will invariably end with a chorus of the "Unforgettable Tonight".

The CCTV Spring Festival Gala is a new mass culture pattern which emerged in the wake of the Reform and Opening up practice. On the one hand it expresses the expectation of the audience toward the improving prosperity and life in China, as well as the acknowledgement of the social and economical development; on the other hand, it reshapes the image of a peaceful and open nation by developing national identity toward the Chinese on both sides of the Taiwan Strait and in Mainland, Hong Kong and Macao, as well as the "China identity" of Chinese all over the world. These basic elements have always been the foundation on which the Gala is established; it signals the transformation from planned economy to market economy inside China, and the transformation from a closed society to open society in external relation. The Gala is exactly the results of

the balance between multiple values and cultural patterns.

Today, CCTV Spring Festival Gala has become one of the programs with the highest audience rating in the world. At 20:00 p.m. in the evening of the lunar New Year's Eve each year, CCTV-1, 4, 9, Spanish, French, high definition channels will offer joint live broadcast. Several hundred million viewers across the nation will rivet their eyes on their TV sets to welcome the advent of the New Year. The Gala has become a new folk custom of the Chinese, a TV feast not to be missed in the Lunar New Year's Eve each year.

From the perspective of cultural development, CCTV Spring Festival Gala is a pioneer of TV entertainment shows; it triggers off a major reform in the contents and the methods of expression in China's TV media. The Gala in 1983 marked the advent of an age of mass culture which has lasted till today; such an age is dominated by TV.

Rarity of Resource Creates Great Value

No one knows since when the Gala has become a special term for the occasion and unobtrusively entered the field of vision of the media and the public. The Gala, on the one hand it is manifested in the phenomenon that more and more famous enterprises (e.g.: Midea, Lang Wine, Mengniu, and Baidu, etc.) all try to catch the "windward ride" of the Gala, within the span of 5 hours, by using advanced media means, they bombard the audience sitting in front of the TV sets with advertisements, so as to enhance their brand popularity and reputation by utilizing the most eye-catching Gala platform of CCTV.

The favorable objective and subjective factors for success of the Gala are undoubtedly a kind of special rare resource, and the extent of the concern over this rare resource is also indisputable in the China TV media circle. In fact, the Gala is exactly a kind of attention economy, CCTV Spring Festival Gala wields powerful appeal among all the population in China and overseas Chinese.

CCTV's Prime Advertising Resources in the first place are rare resources, and the Gala is the foremost rare resource. Similarly,

as advertiser's preferred publicity platform, compared with other platforms such as the Olympic Games, and the World Cup etc, CCTV Spring Festival Gala is one notch higher in terms of the level of concern among the common Chinese population and in terms of the segmented groups to be covered. Facts have proved that, just as economists have told us, rare resources such as the Gala which attract "rapt attention" of millions of population will definitely stay at high price in the market. The advertisement amount sponsored by enterprises can be deemed as the barometer of the "Gala Economy".

On November 18, 2009, in the CCTV Prime Advertising Resource Bidding event, Midea grabbed the 2010 Spring Festival Gala midnight time announcement with 52.01 million high price in the first bidding timeframe. Lang Wine Group obtained the exclusive sponsorship for 2010 "My Favorite CCTV Spring Festival Gala Program" Selection Event with a price of 110.99 million, the total amount of the two Prime Resource advertisements easily topped over 160 million mark.

Communication Channel with Low Investment and High Return

While the Gala Advertisement Prices are rising steadily each year, why is there no slight lessening in the enthusiasm of the businesses to sponsor the Gala? Analysis by experts on market study media point out that, the Gala advertisement is the selling point for high-end marketing of brands; it is a selling point with high level of concern, and also the selling point with a high level of acceptance. The brand endorsement effect of CCTV provides a platform for high-end marketing by the enterprises, whereas the high level attention and acceptance of the audience toward the Gala help fulfill the building of corporate brand. Although the advertisement prices of the Gala registered new high records year by year, it is indeed good value for money, an advertisement resource with "low investment, high return" in the eyes of the great number of sponsoring enterprises.

Relevant executives of Mengniu indicated that, from the initial 1116th ranking in the industry to today's leading brand, the growth of Mengniu is closely associated with its advertisement investment in the CCTV Gala. For several years on end, Mengniu has been the sponsor of the CCTV Spring Festival Gala, "Launching advertisement in the CCTV Gala is most cost effective in terms of the ratio between investment and output."

Meanwhile, the broadcasting of CCTV Spring Festival Gala is not only limited to all channels of CCTV. According to incomplete statistics, in the 2006 Gala, a total of 463 TV stations nationwide provided synchronized broadcasting. Although the emergence of the web media today has posed certain challenge to the Gala which gained maturity by relying on TV media, thanks to the limited coverage of web services among the common population across the nation, coupled with the factor that the best combined body for reflecting Chinese New Year culture is yet to be developed through more exploration, under the support of the "Chinese New Year cultural carrier" role, the Gala Economy still possess arguably strong life force, the rarity of the Gala resource is still prominent.

On the other hand, the emergence of web media on the contrary promoted the expansion of the Gala coverage and influence. During the 2006 CCTV Spring Festival Gala period, CCTV used P2P and CDN technology to offer synchronized live broadcasting to the whole world. In the evening of the Gala, the webpage clicking times of CCTV.COM website reached 296 million times, its visiting times rose to 47.92 million times, 4.10 million population watched the live video broadcasting of the Gala, in which 890,000 came from overseas. In 2007, CCTV continued to adhere to the concept of "Opening doors to run the Gala", and founded "2007 Gala Open Web Alliance", and launched Gala official website. Portal web giants including Sina, Sohu, Baidu, Tencent, and Tom online, NetEase one after another joined the Gala Web Alliance, which provided convenient channels for the communication between the Gala production team and netizens.

Jin Yue, the Chief Director of CCTV Spring Festival Gala believes

that, from the perspective of the entire social and economic development, advertisement is an important mark of social economical development, and also a normal economic activity, it provides powerful support to the wonderful performance of the Gala.

According to Xia Hongbo, Director of CCTV Advertisement Department: “We are always stressing that program is the basis of advertisement. The Gala is a visual feast attracting the attention

of all the Chinese across the nation, which makes it a prestigious brand; therefore we are very cautious in the operation of the Gala advertisements.” The 2010 CCTV Spring Festival Gala themed with “leaping tiger and soaring dragon celebrating the Lunar New Year” is moving closer day by day. The win-win situation among the enterprise, the audience and CCTV will depict an eloquent picture of the brand power.



Spring Festival Gala Converging Tremendous Communication Energy

Huang Heshui, Director of the School of Journalism and Communication, Xiamen University



As an important event of marketing communication, the Spring Festival Gala really deserves exploration, study and effective usage. The Spring Festival Gala rivets the vision of all the people in China on the same TV screen, which creates the moment converging tremendous communication energy.

In this way we can further imagine that, if an enterprises' brand communication is transformed into one of the contents for communication in the Spring Festival Gala, what changes the enterprise brand will undergo.

Firstly, the Spring Festival Gala, an event attracting the attention of millions of people, will also bring the enterprise brand in front of a huge audience. In my view, in China, even if a brand advertisement is inserted into the Opening Ceremony of the 2008 Olympic Games, it may not necessarily produce such effects. From the perspective of communication strategy, for the same purpose of improving popularity, launching advertisement in the Spring Festival Gala is so simple, one only needs to calculate the amount of money being spent, whereas in order to achieve the same effects, adopting other media strategy will be far more complicated, you never know how

many media combinations are needed for achieving the same result.

Secondly, a brand able to show up on a stage attracting the attention of millions of people will be no longer a common brand. Brands capable of being displayed on the Spring Festival Gala are often brands with substantial financial strength. Facts have proved that, an enterprise putting up advertisement on the Spring Festival Gala will win the trust of the market, the relation and operation with its upstream and downstream parties of this enterprise will also become smoother. Ascending onto the stage of the Spring Festival Gala is like sending such a signal to the market: This enterprise and brand will experience great transformation this year!

There is vast space of growth for China's domestic brand, but in the aspect of winning over consumer's trust, there is still a long way to go. During the process of enterprise growth, it requires the accumulation of many great events in order to establish a towering corporate image in the mind of the public. Launching advertisement in the Spring Festival Gala for once will indeed show off the economic strength of the enterprise, but it is the economic strength for the moment, not permanent strength in the days to come. Even for Coca Cola, the brand with the highest value in the world, dare not easily give up its sponsorship for the Olympic Games. Other world famous brands, such as Adidas, Nike etc, are also like this, they always consistently link themselves up with important events. Therefore, when putting in advertisement in the Spring Festival Gala and some other important communication events, the advertiser must pay attention to continuity.

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