

## Forum

# Time for Out-of-Home to stop being labelled a 'support medium'

Times have changed radically in Outdoor as its share of display ad spend nudges 10%.

So should this greater stature also be reflected in planners' perceptions of the medium? A traditional view of outdoor is that it operates as a support medium, used to bolster TV activity and give campaigns greater longevity and frequency.

However with revenues up 9% in the first six months of the year – and disappointing results from other media – it seems that attitudes have changed.

Andy Bolden, media director at GSK says he hasn't used the term "support medium" for a long time. The issue for GSK is that there's a consistency of message regardless as to where or how the first communication takes place.

"From sofa to shop, no matter where along that journey you are interacting with them, every medium has a role," he says.

And he argues that approach extends to aspects such as in-store look and packaging. "The first one, two or three messages that they see before they watch it on the box will have a part to play in the strategy. It's all to do with a 360 degree view in the look and feel of a campaign."

Bolden says that marketers who are signed up to the effectiveness of econometric modelling will share his view that the term "support" is a thing of the past. "Once you start running rigorous econometric programmes through your brands you start looking at the very real accountability that every medium adds."

Tim Nelligan, managing partner at ZenithOptimedia UK, agrees that the days of planning outdoor as a support are gone.

"I do not see outdoor as a support medium. I think the planning decision is based very much upon what you are trying

to do," he says. "You do not sit there and think I've spent 90% of my money, there's only 10% left where shall I put it."

He says that the current generation of planners tend to look at media in combinations. "Planners think about the individual platform benefits and about how a combination works together."

"The problem comes when agencies are trying to decide what each element of the schedule has added, because with different research databases it's very difficult to cross reference different media. We still have to identify outdoor's effect independently of other media to justify it," he says.

Jonathan Wignall, national advertising manager at Renault, says it's all decided by the marketing strategy.

"It has moved on. For a new car launch you would not usually use outdoor as your lead medium but for a reminder campaign outdoor could be the lead medium."

And, he says, even for a new car launch, outdoor plays a vital role in getting

the vehicle seen by the population at large. "It's great. It's putting cars on the streets. If you've got a recent launch the population of the car on the roads isn't that great."

"Outdoor is always one of the media that we will evaluate when looking at a campaign. Outdoor has become better planned and better measured," he adds.

Unsurprisingly Spencer Berwin, group sales director at JCDecaux, says there's plenty of evidence that, far from being a support medium, outdoor is increasingly playing the lead role for many clients.

"One of the biggest and fastest growing sectors is entertainment. If you stand back and look at what entertainment actually is, it's mainly movies and probably first releases. These are brands that have a very tight period to get launched, get in people's psyches and get bums on seats in cinemas. In many cases they launch mainly on outdoor as the lead medium," he says.

"That example is being followed in other sectors, such as telecoms where Virgin Mobile and T-Mobile have both focused recent campaigns on outdoor."

At Maiden Outdoor, managing director David Pugh says talk of a support medium comes from another era.

"It may have been true 10 years ago, but now campaigns are truly multimedia and outdoor is firmly in the mix," he says.

"One reason for that change is that outdoor can now offer so much more, from the broadcast glue that pulls everything together to also supplying the more targeted elements to the campaign, being close to point of sale or reaching particular groups. People in outdoor do not take a brief at face value. Even though the media agency may say this is destined for TV with press support, or whatever, we do not

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accept that,” he says.

Neil Jones, managing director at Carat, says the higher profile is a reflection of changes in the OOH industry. “In the last five years it’s made a massive effort to improve its quality and contractors have been much more innovative about how they market it,” he says.

“The question of a support role or not is less relevant in a fragmented world. By definition, schedules are going to be multimedia. It’s been helped by the fact that it’s the most globally consolidated medium but also by the fact that TV and press are increasingly struggling to reach youth markets. Outdoor provides advertisers with a way to reach this elusive and desirable audience out and about on the move,” he says. “I think in some instances it can be a lead medium now, whereas five years ago probably not.”

Steve Williams, managing director at OMD UK, says that the term ‘support’ can simply be a euphemism for “not TV”.

“If agencies or clients regard outdoor as such they are missing the point, thereby underestimating the role the medium can play in the total media mix,” he says.

He cites a couple of plans that put outdoor at the top table. “Monopoly Live was a campaign that we ran to support the launch of the new game. This campaign was all about engaging with our audience ‘out of home’; using taxis to be part of our campaign, we were successful in driving over 1m visits to our website.”

“McDonald’s uses outdoor in close proximity to its restaurants. We have evidence that this strategy works powerfully and efficiently.”

Alan Bishop, chief executive at COI, says outdoor should look to “have it’s cake and eat it”, both as a campaign extender as well as a lead option,” he argues.

“The two positions for the medium are not contradictory. It can be a lead medium when you have a simple and clear message that requires particularly repeated exposure,” he says.

“Proof of the increased stature of the medium is that a number of good creative people today often think in terms of a poster as they are going through the creative process. What’s the key message? What’s the key idea?” he says. “The medium could probably do more to exploit this position.”

## Case studies

**Client:**Dorling Kindersley**Project:**Educational book range

To promote Dorling Kindersley’s range of educational books, the exterior of an archetypal American school bus was wrapped with Dorling Kindersley branding, encouraging children to jump on board. Once inside they were immersed in an education experience comprising a number of different zones, including dinosaurs, ancient Egypt and the human body. Answers to the quizzes provided could be found by scouring the 3D models and surrounding literature.



The bus toured city centres throughout August parking outside major book stores, which were also involved in the promotion, and over 7,000 children plus their parents took part in the experience.

**Agency:** Total Media

**Client:**Universal Music Group**Project:**Kanye West – Late Registration Album



In order to mimic Kanye West’s latest album cover, a giant 12ft high teddy bear’s head was constructed and fixed to the front of a backlit 96 sheet on the A4 Talgarth Road. The build

was coated with a realistic synthetic fur, and the eyes were internally lit for added stand-out.

This was part of a wider OOH campaign throughout September that also encompassed Underground sites and music venue 4 sheets.

The album debuted at number 2 in the UK charts and fans were even spotted taking photos of the build in situ!

**Agency:** Mediacom

**Client:**McDonalds**Project:**Toasted deli sandwiches

To illustrate the freshness of McDonald’s deli sandwiches we constructed a hugely over-sized piece of traditional sandwich packaging – the kind in which you find sandwiches that aren’t freshly made – and placed this on top of a 48 sheet billboard on London’s Edgware Road.

Then, in the style of David Blaine, we put a real person inside, where he stayed – trapped – for the duration of the campaign, making him completely unable to ‘think outside the box’, as the headline suggested.

**Agency:** OMD



## Worldwide

# Opportunity for growth in the Italian market

Industry research and new developments are key



Disney Channel banner - Padua

I am probably still the newest member of the Posterscope Worldwide organisation having joined Posterscope Italia as Managing Director at the beginning of September, along side Adrianna Esposito, President of Posterscope Italia.

But I am not new to the Out-of-Home market, having been Managing Director of Avenir, IGP Decaux and most recently A&P in Italy.

Classical Out-of-Home accounts for just under 5% of display ad spend in Italy and isn't having a great year, with revenue down by around 2% versus 2004. But there are better things ahead.

Consolidation is continuing with the acquisition of IMA by PES giving them a 16% share of sites and therefore a stronger competitor to Decaux, Clear Channel and

Viacom in roadside OOH.

In the first half of 2005 the long awaited Audiposter research was launched, giving audience measurement-coverage, frequency, GRPs - based on the GPS measurement of the movements of 10,000 people across 36 major cities in Italy for billboards. Within a few months street furniture measurement will also be available. Our strong view is that these enhancements will bring more revenue into Out-of-Home.

As well as this we see the growth in opportunities for spectacular sites and new technology - our sister company Magic Touch, which specialises in creating spectacular OOH events is now working in the Italian market and will capitalise on these opportunities.

The introduction of the new research

will also allow us to enhance our tools programme in Posterscope Italia over the coming months, to deliver even greater accountability to our clients in 2006.

Finally the last part of 2005 will be monopolised in OOH by the start of the run up to the political elections in April 2006.



**Emili Perona**  
Managing Director  
Posterscope Italia

## hyperspace

## Some of the latest developments in the world of digital OOH

### Identi-screen

Hyperspace have been working directly with a technology company to develop a 6 sheet with an integrated screen that changes copy depending on the sex, race, age or movements of the viewer! Media owner partners have not yet been selected and we expect investment for a test location to be c.£15-20k. A more detailed document is available from your Posterscope team.

### Look up in the sky

A production method has been developed that allows extremely lightweight, full size, 3D models to be built, filled with helium and flown around by remote control! Unlike balloons, models are accurate replicas of real life objects such as cars. Production costs start at £30-70k.

### Holiday

In November 2005, Thomson Holidays are launching an in-store 'digital poster' network which will roll out across their top



The Red Arrows

100 outlets. The screens are embedded into poster frames and will carry both internal offers and 3<sup>rd</sup> party advertising.

### Seeing red

The infamous Red Arrows air display team is seeking a commercial sponsor. Details are currently vague but they are open to ideas and further discussion.

### Think when you drink

Scoterman, the chauffeur service that drives you home in your own car after your night on the town is seeking a new sponsor. Their sponsorship package includes various formats such as branding on poster sites, scooters, clothing, website and other marketing materials that promote responsible drinking practices.

### Benefit from the ban

Counter Point Media have taken over the advertising space previously used by Gallaher cigarettes and are now selling

campaigns across the point of sale kiosks and gantries in CTN's, supermarkets, off licences, airports, petrol forecourts etc. Sites will be split into a number of national packages, with a pool of line by line locations also available.

### Woollies

Avanti Screenmedia have commenced a trial of screens in 2 Woolworths stores, located on the gondola ends and in aisles segmented by product zone. If successful they will roll out to 100 stores next year.

### Super side screens

As exclusively first mentioned in issue 23 of Don't Believe the Hype, Viacom are finally launching their LED screen bus sides and have secured a launch advertiser to run from November 2005 to February 2006. After this shorter campaign periods can be booked on the 25 central London focused buses which allow remote copy changes and potentially location sensitive ads.



Viacom LED screen bus sides



Full size, remote control flying models



Counter Point Media opportunity



Woolworths trial plasma screens

## Opinion

# With Success Comes Responsibility

With television regularly under fire for dumbing down, stacked with ever more cheap reality shows and being rewarded with lower audiences, with newspaper circulations falling and with commercial radio suffering a current revenue crisis, OOH's position is, at the other extreme, one of increased buoyancy. But with increased revenue and audiences comes increased social responsibility. Why? Because OOH is a constant in the public domain. Its very "publicness" means considerable responsibility in ensuring that it maintains standards of presentation that enhance local environments, rather than the opposite. It cannot afford to relax.

The fact that Camden Council got to the point of issuing an ASBO on Diabolical Liberties for flyposting demonstrates the determination of local authorities to make their point and raises the possibility of even more draconian measures by councils if companies flaunt the rules. And at the same time there is the increasing blight of posters on trailers, temporary hoardings on buildings or in fields adjacent to motorways that have attracted the attention of the Council for the Protection of Rural England and their subsequent lobbying of the government. It works against the industry when the CPRE talks about "the pox of outdoor advertising" when in towns and cities it both brightens the urban landscape and helps fund local amenities with the provision of bus shelters and

street furniture. All the more reason why the "legitimate" OOH media owners and their body, the OAA, must ensure that they trumpet their adherence to planning regulations – the few must not bring the game into disrepute at the expense of the industry at large – particularly not at a time when advertisers are spending more of their budgets in a medium that is genuinely

### IT'S NOT NECESSARY FOR CLIENTS TO RUN THE RISK OF BEING EXPOSED

attracting greater audiences and importance in the media panorama.

What's frustrating is that it's not necessary for clients to run the risk of being exposed in this way. In the first instance it's all about clarity. From our standpoint, where there are planning parameters or liabilities in place, they should be communicated to advertisers and any cost implications should be accommodated within our quotations. We are happy to take the burden of social responsibility on their behalf.

For example, special builds must be covered by public liability insurance. Environments that operate very strict and specific health and safety criteria, such as transport networks like the Underground must not be used for any kind

of irresponsible guerilla activity that takes no account of issues such as materials fire testing. The implications to any advertiser funding the activity are very serious, but on occasions it still happens.

It's also about managing expectations. Whilst existing planning regulations, which in some cases were framed years ago, simply do not cater for the profusion of communication opportunities which now exist, or have the potential to, this must not mean a free for all. What it is important for advertisers to understand is the possible attitude of the authorities to whatever is being proposed. A current example of this is 'steam cleaning', placing branding onto a pavement by effectively 'engraving' it out of the dirt. On the face of it, this is non-intrusive as it adds nothing, and is therefore 'safe' for an advertiser. Not so, according to our local authority contacts, since it basically advertises the fact that their streets are dirty - they would take a dim view and more than likely attempt to pursue an action.

The message is clear. Creative opportunities with more size variety, digital, special builds etc have never been greater in OOH. But we must all promote the industry's social benefits in terms of brighter environments and economic benefits to local authorities at the same time. It is not in anyone's interest to go outside legal limits to create impact, but particularly not for advertisers.

## News

OOH expenditure in the first half of 2005 grew to £434,900,000 according to the OAA. This is +8.9% on the first half of 2004.

Decaux released first half results for 2005.

- Revenues up 5.5% to €833.7m
  - Operating margin rises 4.7% to €229.1m
  - Net income Group share rises 20.2% to €83.3m
  - Major expansion into Asian markets
- Jean-François Decaux said:

"Our first half 2005 results are in line with our previous comments and reflect the softening of advertising conditions in certain European markets, as well as the evolution of our business mix, with a growing revenue contribution from the lower-margin Transport division."

Maiden has issued a trading update on the six months ended 30 June 2005.

"Advertising market conditions were challenging during the first half. The

combination of the weak and volatile market conditions has led to first half revenues and margins being adversely affected and, although Group billings were marginally up in the first six months, the Group will report an operating loss for the period."

SMG announced a 15% revenue increase at its OOH operation, Primesight, in its recent interim results. It has also added 30 backlit portrait panels to its inventory.

# The market

The OOH market has continued to perform strongly into the 3rd quarter of 2005. Whilst there was a slow down in the middle of the summer, activity significantly increased through to September. Our current forecast is that a growth of 6% - 7% will be recorded across

Q3. Unit prices remained under pressure with the only growth recorded by 96 sheets, which have benefited from a significant increase in demand over Q3 2004. Looking ahead to Q4 there has been an increased volatility in the market. A strong October across

all formats, has been followed by a weaker November and December. This has resulted in a number of excellent market opportunities in the pre-Christmas period.

PRISM forecast indicates that forward demand for 2006 will be in line with 2005,

which experienced broad demand across a wide range of OOH market sectors. The OOH market continues to be enhanced by the entry and development of OOH in new formats and in new environments.

## Unit price index (Q3 2005)

6-sheet	-3%
48-sheet	-2%
96-sheet	15%

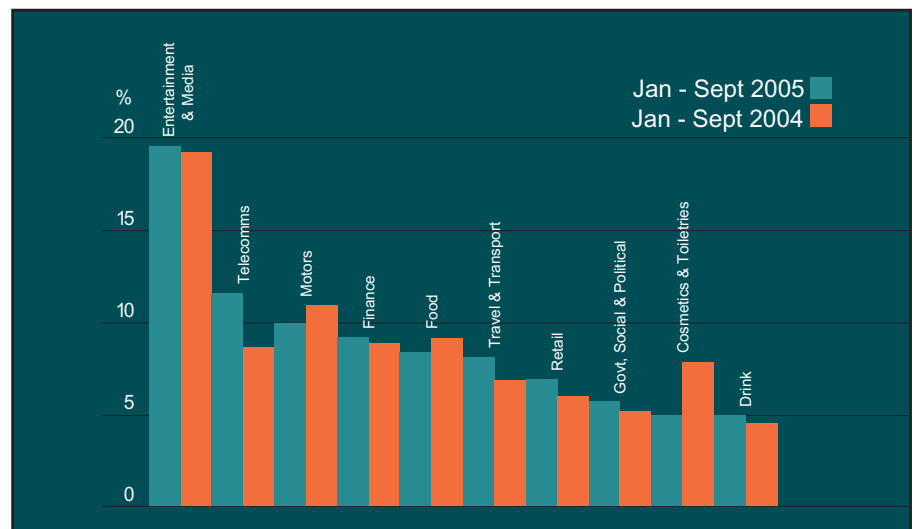
Source: PRISM

## Percentage of revenue by format Jan - Sept 2005 vs. 2004

Bus	13.6%	11.2%
Tube	12.9%	14.3%
6 sheets	37.4%	34.3%
48 sheets	24.5%	18.5%
96 sheets	11.6%	9.5%
Specials	0.1%	5.4%

Source: Nielsen Media Research

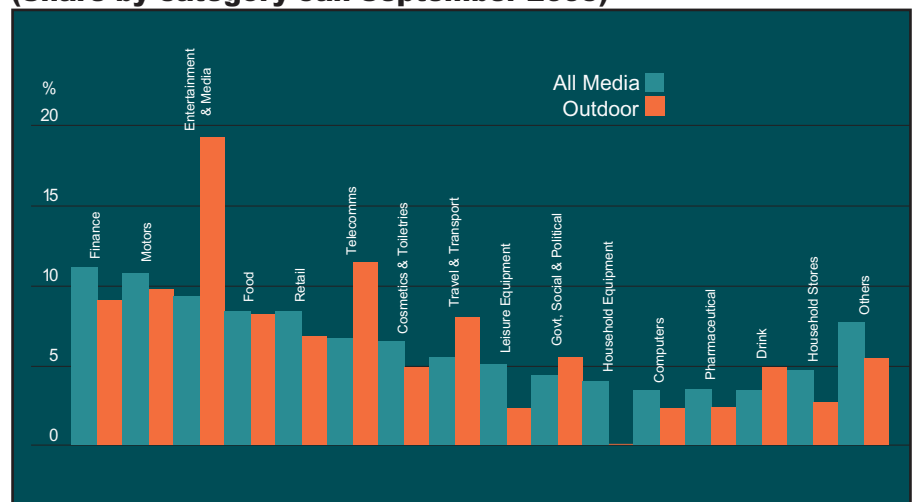
## Outdoor expenditure by sector (year on year)



Source: Nielsen Media Research

Two thirds of the way through the year and category spend on the Outdoor medium shows no substantial change in pattern. Entertainment and Media continues to grow year on year with Telecomms, Finance, Travel showing the greatest volume growth. Telecomms have increased spend year on year by 25% moving them into 2<sup>nd</sup> position. Finance, biggest category across media, is a smaller part of the outdoor cake but with 9% growth is performing well. Travel is outperforming on outdoor 7.9% versus 5.5% for all media. This is attributable to a significant budget shift into outdoor by British Airways and spends from advertisers not present in the same period in 2004 like Virgin Trains, Marriot Hotels and BMI.

## Outdoor expenditure vs Total Media expenditure (Share by category Jan-September 2005)



Source: NMR AdDynamix

# Leading Out-of-Home Communications

Posterscope is the UK's leading OOH communications agency.

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