

Forum

Time for Out-of-Home to take centre stage

Should Outdoor now position itself as the primary medium for reaching young, upmarket consumers?

The UK Out-of-Home industry has just met in Barcelona in buoyant mood. Having already outstripped the market in terms of revenue growth every year since the turn of the Millennium, with growth of 11.7% in the first half of 2004 and an even more impressive 14.2% in the period from April to June it's perhaps not surprising. Meanwhile, other media are reporting less good news, with BARB recording that ITV has seen a 17% drop in under-25-year-old males compared with a year ago. Given these trends, Out-of-Home's next challenge is to build on its success to become an even more crucial part of the communication tool kit.

Outdoor has a lot going in its favour. Improving sites and changing lifestyles means that Out-of-Home is now more attractive than ever for advertisers who want to target younger, more upmarket, more mobile and time-stretched demographic groups. The question is whether Out-of-Home should now position itself as the backbone of more communication plans against these groups, the glue that holds together the other media options such as press, multi-channel TV and online.

It's certainly an ambitious target but having achieved so much already, including doubling its share of display revenue in the last 10 years, who could blame the medium for setting such challenging goals?

Kate Rowlinson, head of strategy at Carat, says there are already examples of brands that have used OOH as the framework for their campaigns.

"French Connection wanted to be deliberately provocative and Outdoor served that process brilliantly," she says. Carat has recently focused activity for Baileys' vanilla variant Glide on Outdoor. "We wanted to get closer to the moment of consumption - in particular a mid-week, end-of-the-day drinking occasion," she says. The challenge in encouraging other advertisers to use the medium in this way, Rowlinson believes, is the perception that while it can build awareness excellently it is less effective at engaging. However, Rowlinson adds that new technology such as hypertags and ambient media may provide the means for brands to connect at this level: "It'll be really interesting to see how new technology develops to do that."

Jon Wilkins, co-founder of Naked Com-

munications, says the industry should not attempt to replace TV as the primary medium; instead, he argues that Out-of-Home can thrive as the primary 'activation' medium. "A lot of the bigger clients are now almost creating a separate strand of briefing below TV, which is activation," he says, pointing out that brands are looking beyond raising awareness and towards media that can persuade customers to actually buy a product. This is an area where Out-of-Home will do well because of the variety of formats that hit the consumer while they are on the 'path to purchase'. It is the medium that sits most comfortably between the home and the retail environment to enable marketers to hit consumers. To thrive even more Chris Ladd, media manager at Boots the Chemist, argues that the industry will need to continue evolving.

"For a retailer and certain brands that need to get a message out quickly the minimum amount of time you can buy for posters is often two weeks," he says. "Whereas Boots has to promote 'offer of the week'." Despite this, Ladd says that Outdoor is still on an upward path.

"Outdoor has had a very good year and has the potential to continue to grow as more people spend more time out of home," he says. And if TV fragmentation continues he says that role is likely to continue to grow. "TV viewing hasn't fallen, it's split into 100's of channels. If you're trying to reach an upmarket audience, TV is perhaps not as strong as it was," he says. "If this trend continues then outdoor will have a significant role to play."

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Neil Hurman, managing partner at Manning Gottlieb OMD, argues that to maximise the value of the myriad OOH formats now available, pan industry research is a must. He therefore welcomes the impending arrival of combined roadside and transport measurement capabilities. He feels that in markets where awareness building is key, Outdoor could benefit from the continued problems of TV. "The 30 second spot is on dangerous ground and consequently mass communication via TV is going to be both challenging and expensive. It's easy to see Outdoor as well placed to take advantage of that".

Paul Philpott, commercial director at Toyota, says whether OOH can form the backbone of a campaign depends on what the communication is trying to achieve. "With posters you've got a few seconds, it's a very immediate medium that can be very powerful in awareness building" he says. Outdoor can be used effectively for car brands. "The creative can be a shot of the car and name of the car and in this outdoor is very effective, but it can't deliver much more detail" he says. Nevertheless he says Outdoor is well placed to take advantage of the fact that TV is likely to continue to become more expensive. "With TV going up I think that Outdoor is well placed. If you don't have a massive budget and you need to raise awareness, you can do that very efficiently and very cost effectively versus TV," he says.

James Rennie, head of media and young families marketing at McDonalds, also predicts that Outdoor's share will continue to grow. "It's obviously a medium that's growing and going to become more and more important moving forward as it continues to develop and innovate," he says. When it comes to building awareness for new products he says TV will be an obvious choice but Outdoor does have a major role to play in other areas. McDonalds, he points out, has utilised the medium extensively, experimenting with new formats such as mega-rears for its recent salad plus campaign. "For a lot of what we call value platform and saver work, Outdoor is an obvious medium. People are out and about, they are hungry, it's a reminder while you're out and about," he says. "Being a retailer a lot of sales are impulse purchases."

Case studies

Client: McDonalds Project: Salad - New Food New People



Visibility on the high street helped to make McDonalds launch of its new Salads

Plus range a success. The campaign included roadside 6-sheets, which gave national cover, while also carefully targeting McDonalds restaurant locations, as well as appearing near competitors

to influence consumers at a crucial moment for such an impulse purchase. Bus Supersides and Mega-rears gave the campaign greater ubiquity, helping to reach the audience of primarily health-conscious young women. Station domination of Oxford Circus added even more impact in London. The campaign resulted in a rise in 1st mention awareness, impressively high awareness of the new salads range, and an increase in positive perceptions of McDonalds. Media agency: OMD UK

Client: Renault Project: launch of Modus

Renault's innovative approach to car design was matched by Posterscope's recent work for the launch of the Modus. Our campaign for the playful new mini-MPV involved getting the contractors to agree to special 24-hr posting outside of the normal cycle. Thursday evening posting allowed the OOH work to synchronise with other media and communications activity on Friday, or "Modus Day". The flexibility of new digital formats allowed us to back this up with Transvision and other screens in key cities - just for

one day. Special production techniques - including Illumin8 and lenticulars - helped make the most of the colourful creative, which underscored Modus' message of "Grow up What for?" Media agency: Carat



Client: Yahoo Project: Search. Found on Yahoo.co.uk

Yahoo wanted to re-establish its credentials as a search engine, by positioning itself not simply as a better search engine, but as "the find engine". The creative ideas involved dramatised this by "finding" things in the real world. Previously Yahoo had spent 80% of its budget online, but only OOH could achieve the aims of this campaign. Posterscope sent out teams of photographers to take



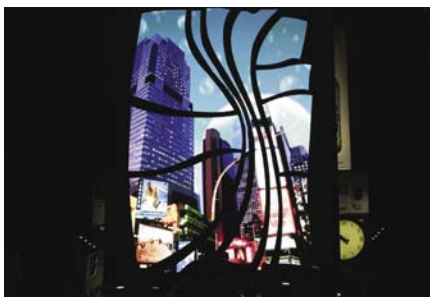
pictures of all the sites, to identify the local landmark that would be the focus of the creative - the one that would be "found" by Yahoo. In all, 450 different executions were created. Among the things that Yahoo "found" were Coffee haters (the ad pointed to a tea shop, "spark plugs (a motoring accessories shop), "agoraphobics" (down an escalator) and "Ivy" (the ad was on a site that happened to be surrounded by the stuff). The campaign achieved higher ad awareness than Google or Ask Jeeves. Search pageviews were up 43% year-on-year across the campaign period and Yahoo overtook its nearest competitor (despite being outspent by them.) Media agency: Manning Gottlieb OMD

Worldwide

Lighting up New York

Posterscope in the US launches a new Coca-Cola icon in Times Square

On July 1st Coca-Cola North America launched the world's first three dimensional sculpted digital site in Times Square, New York. This state of the art communication portal replaces the previous Coca-Cola site that had been there for 11 years.



The concept of this Coca-Cola communication portal was to make a ground-breaking and unique statement for the brand and company, and to stand out in a highly cluttered Times Square environment, which has become awash with LED signs. The portal is unique, made up of 32 sculpted high definition LED sections which have numerous convex and concave shapes (like sails on a ship) that totally differentiates it from standard flat LED signs.



It took almost one year to create the customized software and hardware to move content across the numerous curved surfaces of the portal. All content is sent to the portal over a DSL line, is instantly updatable, plus the portal is capable of running high definition video or animation including live TV feeds. But for all of this the new portal actually costs less to operate than the previous Coca-Cola sign, while providing much greater flexibility and impact.

Led by Chris Gagen, Managing Director of Posterscope Atlanta, the Posterscope team handled the integration of all aspects of the project including design, consumer research, manufacturing, installation, content creation, and a major launch event in Times Square. The project involved the coordination of a broad and diverse team - from mechanical and electrical engineers, to creative animators, union workers, and computer experts and was successfully launched six weeks ahead of schedule to a crowd of over ten thousand people. A massive Coca-Cola red lounge was constructed to host Coca-Cola's VIPs, key customers, and the press. The Mayor of New York and the President

of Coca-Cola North America launched the sign and there was such tremendous press coverage of the launch that Coca-Cola's PR company gauged that the value of the impressions generated in the two weeks following the launch exceeded the cost to build and install the site.

Javier Benito, Coca-Cola's Chief Marketing Officer of North America said "The new Coca-Cola display represents the intersection of cutting edge technology, advertising innovation and entertaining content"



Chris Gagen
Managing Director,
Posterscope Atlanta

hyperspace

Highlights of the latest production techniques and digital screen opportunities

Virtual 3D billboards

A new production method is available that allows you to create virtual 3D artwork that moves as you pass the site. This technique was tested briefly a few years ago, but will require further trial & investigation due to creative limitations. Whilst lenticular production is often impractical or extremely costly on large format sites, this technique produces similar 3D effects at a substantially lower rate. Video clips are available on request.

Littering the fairway

There are a number of ways to reach the golfing audience, such as 6 sheets & banners at driving ranges, as recently featured in 'Don't Believe the Hype'. Another media owner is currently seeking a sales house for a new opportunity



Golf course bins



Tabletalkmedia

advertising on (surprisingly stylish) bins located at the tees on golf courses. Any clients specifically interested in pioneering this or other opportunities at the golf tee, such as branding on the course maps, may be able to secure low introductory rates.

Millionaire machines

Another addition to the plethora of media opportunities in the pub/bar environment enables you to communicate with consumers whilst they are playing on interactive Itbox gaming machines. 'Who Wants To Be A Millionaire' is one of the most popular games at the moment, with around 1 million plays per month across the 6000 pubs/bars where machines are installed. There are a variety of opportunities ranging from spots within the attractor loop through to fully branded games.

Bluetooth posters

A new technology is about to launch which like Hypertag will enable consumers to download content from poster sites directly to mobile phones. This will be done via Bluetooth and also allows streaming video/music. Separately there are plans to upgrade infra-red based Hypertag units to support video file downloads.

Gizmondo

A new hand held gaming console is due to launch towards the end of this year, which will deliver targeted advertising based on the users real-time location. Full motion video ads will be able to direct gamers to particular stores nearby or target them at particular times of the day.

Digital OOH escalates

Viacom are intending to replace the existing paper escalator panels with digital screens at one of the major central London underground stations. The exact buying mechanic has not yet been decided but installation is expected to be complete early next year and there will be screens on both sides of the chosen escalator shaft.

House of Fraser

Following the lead taken by Selfridges, Harrods and many of the major shopping malls, House of Fraser are intending to install a network of plasma screens in the beauty section of their Oxford Street store.

Top of the table

A new advertising format is launching in coffee shops/cafes through Tabletalkmedia, involving vinyl ads placed directly on the table tops.



New hand held gaming console



Digital escalator panels

If you would like to see a presentation regarding the digital Out-of-Home market, including a demonstration of Prism Screen, please contact David Gordon - email david.gordon@posterscope.co.uk

Opinion

Fly-Posting. Edgy? Cool?

We don't think so.

Here's a happy coincidence: a company which finds itself in court because of fly-posting, has recently become very vocal about the benefit of... no, not fly-posting, but City Centre Posters. And what are City Centre Posters? Well, they're sort of like fly-posters, but nicer, cleaner and distinctly more legal, appearing – as they do – on local authority approved sites.

Are they a good idea? Clearly, they're not a bad idea for Diabolical Liberties, who will want to be seen as a law-abiding, socially responsible company while the threat of Camden's Anti-Social Behaviour Order hangs over them. Whether they're a good idea for advertisers is less clear cut.

Until recently, Diabolical Liberties sold the idea of fly-posting as edgy, cool and a bit anarchic – the common belief in the media industry that the practice was “illegal” presumably only helped this positioning. “Credibility”, “irreverence”, “leading edge” are all attributes they have claimed in the recent past. But are fly-posters actually cool and edgy?

In fact advertisers no longer use fly-posters because they're cool and edgy. Some advertisers use them simply because

they've been using them for years and years. Sounds a bit less leading edge already, doesn't it?

When Posterscope has offered these advertisers alternative ways of reaching their media-savvy, urban audience, they've always jumped at the chance to do something new.

Other advertisers use fly-posters because they're cheap. Sadly, cheap and good value are miles apart. Again, when we have

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offered such advertisers the chance to use other, affordable Out-of-Home options – which promise an accountability that fly-posting never does – they also jump at the chance.

There are very good reasons not to use fly-posting, aside from the threat of prosecution. We now have a myriad of innovative,

exciting, impactful Out-of-Home formats that can reach urban audiences in unconventional ways. We are pretty sure that today's youth would consider being able to download a trailer of a new film into their mobile from a poster site, for example, to be considerably cooler than a glorified leaflet stuck on a BT junction box. Also, media owners will be only too happy to incentivise advertisers away from fly-posting by offering extremely affordable – and more accountable – alternatives. To put it another way, City Centre Posters already exist – just without the capital letters.

If Diabolical Liberties were to commit to stopping all fly-posting and concentrate all their energies on City Centre Posters, then Posterscope – and we are sure the rest of the industry – would support this move.

But they would then face a new problem. A local authority that thought “legal fly-posting” was worth exploring just might prefer to explore it with one of the established media owners that had invested millions into making cities more attractive over the past few years, rather than a company whose work has simply added to its cleaning bill.

News

Under the title Outdoor Taking The Lead, and organised by the OAA and IPAO under the chairmanship of David Kershaw of M&C Saatchi, over 300 delegates from a wide range of advertisers, agencies and media owners attended a one day conference in Barcelona. The programme covered 3 main themes

- * OOH in the context of a changing media world and changing lifestyles
- * Measuring and understanding OOH communications
- * How OOH has driven advertisers businesses

Speakers explored the way in which we consume Out of Home advertising, in an era where we increasingly

spend more time out of home (Tess Alps - PHD), where the media landscape is changing rapidly (Torin Douglas - BBC News), where communication is moving from interruption to engagement, and where implicit learning is being better understood. (Ivan Pollard - The Ingram Partnership).

There were calls for exploration of the effects of more consistent use of the medium (Phil Georgiadis - Walker Media), as well as increasing co-operation in the approach to understanding effectiveness, (Stuart Cox - Nestle), and ROI (David Wheldon - Vodafone). Case histories from BT's 118500 launch (Grant Miller - BT) and British Gas

(Phil Reddaway - Carat) showed how Out of Home had worked for them. Ken New (POSTAR) announced the arrival of improved Out of Home research. Inclusivity will bring the opportunity to analyse exposure to increasingly varied Out of Home schedules, as planners and buyers will now be able to measure Rail and Underground campaigns alongside the current Roadside exposure. This is shortly to be followed by Bus, Taxi and Point of Sale coverage.

Jean Francois Decaux spoke on behalf of the media owners, and called for the vision to drive the medium beyond 10% of display ad spend.

The market

The latest figures show that the outdoor market continues its current trend of strong growth and increase in market share. Following a strong second quarter of 2004, expenditure for January - June 2004 has increased by 11.7%. This growth is in comparison to a

growth of 6% for all media excluding Outdoor. Growth in the market has been driven by both the increasing breadth of Out-of-Home opportunities and an increase in occupancy on traditional formats. In particular the 6 sheet for-

mat has benefitted from a consistent level of demand which outstretched that on other formats. On the core roadside 6 sheet market, this has not however fed through to an increase in unit prices. Within the large format market investment has concen-

trated on the development of increasing the number of high quality back illuminated locations, particularly in the 96 sheet+ formats. This has fed through to higher average prices in this market segment.

Unit price index (Jan - Jun 2004)

6-sheet	-10%
48-sheet	+1%
96-sheet	+8%

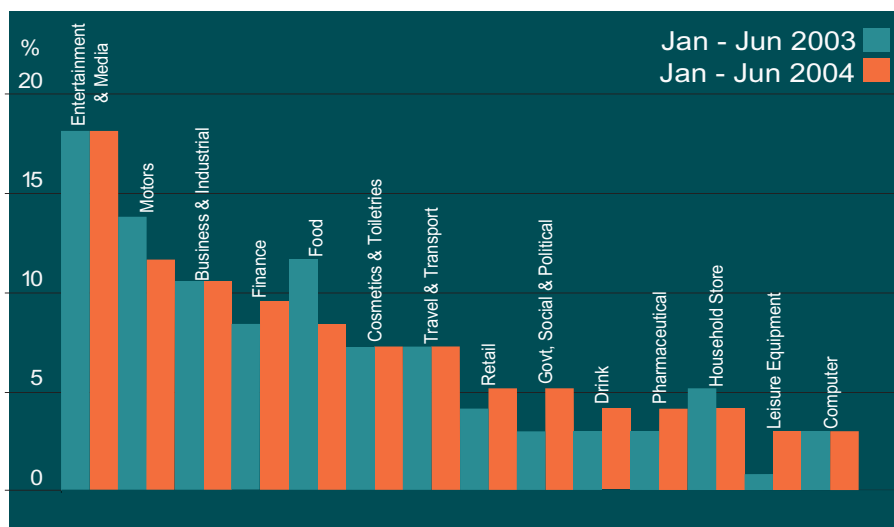
Source PRISM

Percentage of revenue by format Jan - Jun 2004

Bus	11.3%
Tube	14.2%
6 sheets	39.1%
48 sheets	21.7%
96 sheets	10.5%
Specials	8.2%

Source: Nielsen Media Research

Outdoor expenditure by sector (year on year)

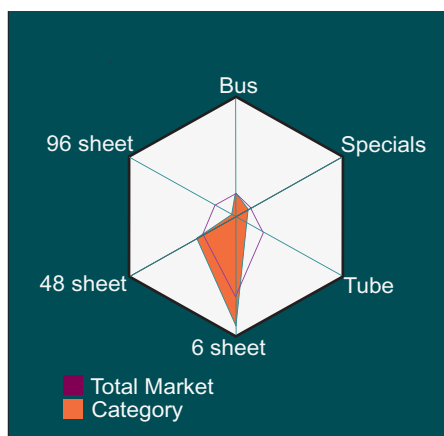


Source: Nielsen Media Research

Entertainment & Media continues to be the biggest category in the Outdoor market, accounting for 17% of spend across Jan-Jun 2004. Within outdoor Food has given ground as Retail, Drink and Pharmaceutical all increase share. Govt, Social and Political is cyclical in its spend and in 2004 is running at +70% (YoY).

In this edition we have looked at contrasting categories, Finance with Cosmetics and Toiletries to see how their choice of formats compared to the total market. Both categories show year on year growth of +26% and +19% respectively, but while the broadcast element of 96 and 48 sheets dominates Finance activity, the importance of 6-sheets at POS and as a broadcast opportunity close to the high street is evident.

Total Market vs Cosmetics & Toiletries Category



Total Market vs Finance Category



Source: Nielsen Media Research

Growing the Out-of-Home medium

Posterscope is the UK's leading OOH communications agency.

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