



## All about engagement

In 2011, out-of-home (OOH) media continues to thrive. Why? Because in the face of the digital media onslaught, OOH has used innovation to stay at the forefront of consumer engagement and advertisers are flocking to the medium as a result.

### Jane McConnell reports.

There's a lot of hype at the moment about digital marketing and how it's going to revolutionise retailing, business in general and pretty much every other part of our lives. And who knows, it may very well live up to the hype.

While digital is receiving the lion's share of press, another marketing medium, one that's been around for decades, continues to grow, innovate and, most importantly, deliver results for advertisers. That medium is out-of-home (OOH) and marketers are increasingly seeing its unique value.

"Out-of-home is different to other media because consumers don't opt in or out," Outdoor Media Association (OMA) CEO Charmaine Moldrich said.

The OMA is the peak industry body representing most of Australia's out-of-home media display companies, production facilities and some media display asset owners.

According to Ms Moldrich, OOH's benefits are obvious: it cannot be switched off and is being constantly consumed by passers-by, whether they are driving, walking, cycling or catching public transport.

"Most of these consumers will encounter the same advertising campaign on a number of occasions as they go about their

daily tasks – all up, Australia has more than 73,000 individual OOH advertising faces positioned in areas of high-volume traffic," Ms Moldrich said.

"Plus, a new UK study shows that OOH is the last window of 'purchase influence'. When respondents were asked which advertising media they had seen in the 30 minutes just prior to shopping, OOH advertising had the highest level of recall at 40 per cent, followed by radio at eight per cent." (Source: Outdoor Media Centre, Harrison's Research 2011).

Despite OOH's obvious appeal to advertisers, the industry has also seen tremendous growth in innovation over the past decade. While the standard large-format

billboard we've all seen a million times isn't going anywhere, OOH media companies are increasingly now looking to connect with consumers within the retail environment.

The appeal to advertisers is obvious: who wouldn't want to talk to their target audience while they are doing the shopping?

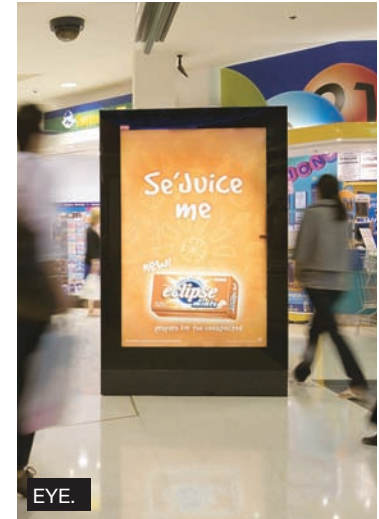
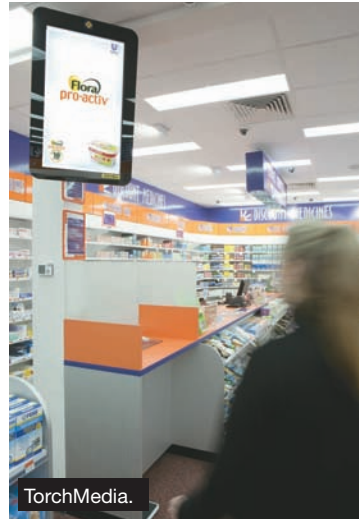
Kirsty Dollison is General Manager – Marketing & Commercial at TorchMedia. Ms Dollison says that this growth in so-called 'shopper media' is one of the most significant developments for the OOH industry in recent years, with a wide range of formats now available to advertisers.

"Plus, the approach of brands and their agencies in the retail space has become much more sophisticated and the recent introduction of MOVE [the OMA's out-of-home audience measurement system] has brought increased rigour to the planning process," she said.

"From a mass merchant perspective, OOH drives people into stores and is very effective at enabling retailers to promote

"OOH reminds shoppers to purchase an advertiser's brand at that crucial point where they are about to make a purchase decision."

Leonie Collins, EYE



initiatives such as back-to-school, or toy sales.

"It's the best way to reiterate to shoppers when they are in the right frame of mind to spend. I say 'reiterate' because the key to shopper marketing is engaging in the pre-store, in-store, post-store marketing cycle. Along that path, OOH provides a multiplier approach.

"For FMCG brands, the car park and mall environments are the second last opportunity before the shelf to remind shoppers about their choice."

EYE General Manager Leonie Collins agrees, saying that in 2011, with consumers showing less brand loyalty and shopping around more, OOH is becoming increasingly important for retailers.

"Put simply, OOH reminds shoppers to purchase an advertiser's brand at that crucial point where they are about to make a purchase decision," she said.

"EYE has conducted extensive research in this area to provide insight for advertisers on how to best capture consumers in a shopping environment. Eye tracking technology showed

us shoppers engage with every second advertising panel they pass in a shopping centre.

"When consumers are in a shopping mindset close to the point-of-sale, neuro-imaging research found advertised brands experience an uplift of over 11 per cent brand salience compared to the brands not advertised in-centre, which experience a decrease of over 14 per cent.

"In addition, compared to the average across all media, consumers are 32 per cent more engaged in the shopping environment. They also have 32 per cent higher levels of memory encoding, which is key for messages to enter long-term memory and impact purchase decisions."

Innovation in the OOH sector has not been limited to the placement of OOH media. In fact, the industry has been extremely proactive in developing new, innovative formats that help advertisers connect with consumers.

Digital signage, in particular, has proven popular with

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Kirsty Dollison, TorchMedia

advertisers, who are now able to tailor their messages and update their creativity instantly, depending on what's happening at a particular location at a particular time.

"Digital is the most talked about innovation for out-of-home," oOh!media General Manager – Strategy Kelly McIlwraith said.

"No longer do advertisers have to wait for material to be printed, delivered, and installed – they can have a message broadcast to the masses in minutes.

"It also offers incredible flexibility to impact audiences based on the time of day, ie, McDonald's advertising a breakfast deal in the morning and a lunchtime deal at lunch, or retailers offering umbrellas when it's raining, sunscreen when it's above 35 degrees, etc."

According to Ms McIlwraith, the impact of smartphones on OOH has also been huge, with consumers now able to make purchases and transfer information such as their contact details to an advertiser just by tapping their phone on a poster.

"While all of these changes have occurred in the OOH industry, the effectiveness of billboard advertising, essentially, has not changed over the years, because it works," she said.

"In fact, billboard advertising is one of the oldest forms of advertising and it's ironic that it complements the online channels, which are cannibalising other media."

This interaction between digital and OOH is one of the medium's great strengths. For many

To page 62 ▶



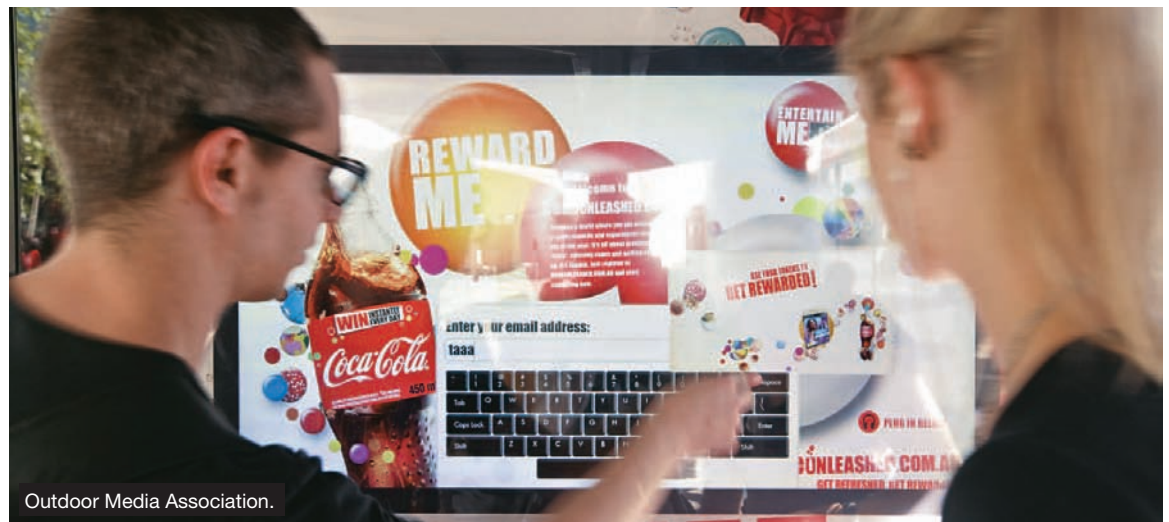
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### ► From page 61

‘traditional’ media channels (TV immediately springs to mind), the rise and rise of digital has had a negative impact on sales revenue as advertisers seek to engage with consumers via online channels. But the ability of OOH and digital to work together has had an amplifying effect on advertising promotions, engaging consumers like never before and delivering great results for brands.

According to Ms Moldrich, FMCG advertisers have been at the forefront of this kind of OOH/digital ‘partnership’. She says that, along with both large- and small-format ‘special build’ OOH

installations, FMCG advertisers are now seeking out and using a broad range of integrated mobile and social media technologies as part of their OOH campaigns.

“For example, in September this year, sampling was taken to a new level as frûche utilised Australia’s first refrigerated sampling with JCDecaux Citylight panels in Sydney and Melbourne CBDs,” she said.

“Consumers only needed to text the advertised mobile number and, in return, they were dispensed a chilled tub of frûche. It was an important part of the integrated campaign for frûche, which inspires Australians to ‘reward themselves in style’.”

Ms Moldrich explains that, last summer, Adshel and Coke also developed an innovative touch screen campaign with Bluetooth and wi-fi technology to provide high-pedestrian volume sites with unique content.

Audiences were able to interact with the Coke brand, register to win prizes and watch movie trailers. A free Coke wi-fi network enabled the public to access the internet and a Bluetooth network allowed users to download content to their handsets.

“Aside from these digital campaigns, we’ve also seen other innovative strategies bring products to life, such as advertisers using scented panels

or dressing up and theming entire bus shelters,” Ms Moldrich said.

“Spring Valley did just this in September, 2010, to reinforce the message that ‘Spring Valley is where spring comes from’. The bus shelter featured flowers, butterflies, a grass floor and the sound of a bubbling river, chirping birds and buzzing bees. Juice was also sampled at key destinations as part of the campaign.

“These are all great examples of how OOH provides great creative opportunities for impact and cut-through, engagement and sampling. There are countless ways for advertisers to engage new technology in their OOH executions.” ■

## OOH in Australia – a snapshot

OOH advertising has been delivering great results for Australian advertisers for decades and this is backed up by recent research showing that, despite the economic downturn, OOH continues to thrive.

- Second quarter 2011 saw the OOH industry record its sixth consecutive quarter of growth,

posting a five per cent increase, with a year-to-date increase of 5.4 per cent taking net revenue to \$229 million, compared to \$217 million in 2010. This follows 5.5 per cent growth in the first quarter of 2011 and 19 per cent growth for the calendar year 2010, up from \$400 million in 2009 to \$477 million.

- In a recent study commissioned by the OMA, Deloitte Access Economics measured the industry’s direct contribution to GDP at an estimated value of \$244.3 million.

- The OOH industry paid \$74.2 million in wages and returned \$125.4 million to capital owners as gross operating profit. ■