

Better days ahead for Nigeria's outdoor ad industry

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The huge potential of the outdoor advertising industry in Nigeria and Africa at large has again been brought to the fore. Notwithstanding, its plethora of challenges ranging from parlous power supply, unfriendly business environment, inconsistent government policies to financial constraints and dearth of data, stakeholders still unanimously agree that better days are ahead to make the sector robust, so it could achieve its deliverables while yielding huge returns for players and government.



The three-day parley tagged: "The African Outdoor Advertising Conference and Exhibition 2014" and hosted by the Lagos State Signage and Advertisement Agency (LASAA) in June in Lagos provided a veritable platform for stakeholders, regulators and exhibitors within and outside Africa to dissect the out-of-home advertisement sector on the continent where they holistically x-rayed the worth of the industry, the daunting challenges, prospects and charted a path, concluding that the industry was poised for torpedoing as government's top revenue generator if necessary incentives and policies are put in place to make all players transact in a level playing field.

To set the ball rolling, the host and Managing Director of LASAA, George Kayode Noah, who spoke on "Out-of-Home in Lagos State: State of the Industry", reminded participants that Lagos, the nation's economic capital, was home to 60% of Nigeria's advertising market and generates a yearly turnover of N50bn.

He disclosed that outdoor media buying agencies generate about N8.6bn, fabricators, N1.5bn, installers, N382bn, large format printers, N8.27bn. Also, captured are outdoor specialist agencies, which account for N21.9bn, outdoor protection services, N370m, adverts, N1.25bn while other areas rake in N8bn.

Huge job opportunities

Noah noted that industry held huge job opportunities as the Lagos market alone currently employs 100,000 people, adding that the industry would have grown more but for prevailing hindrances which included but not limited to loss of market share to television, radio and social media marketing.

He disclosed that Lagos currently host 100,000 signs and 800 outdoor structures.

On the rationale for the exhibition, the LASAA chief executive said that it was to further unveil to the world the potentials of Lagos and indeed Nigeria in outdoor advertising, just as he described the opportunities in the sector as endless.

He summarised the essence of the parley thus: "The exhibition is also geared towards creating a convergence of stakeholders within the out-of-home advertising industry. We are also focusing on trends, best practices, innovations and challenges within the Nigerian and African contexts."



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Noah added that the industry was facing lack of empirical data. He, however, submitted that his agency had impacted the sector in the last decade, revealing that one of the battles the agency had to stage was with those whose activities were defacing the state.

Jump-start robust development

He disclosed that LASAA was innovating, part of which was to carve out some parts of the state as zones where adverts could be pasted all year round.

He charged participants to leverage on the network of information tool and systems as well as the decisions, which the forum was putting at their disposal to jump-start the robust development of the industry.

In his presentation titled: "The Importance of Creativity in Outdoor Campaigns to the Out-of-Home Advertising Industry", a major player and Managing Director/CEO Insight Communications, Jimi Awosika, identified Waka Pass syndrome, a term he used for lack of creativity as a major challenge bedeviling the industry. He thus tasked practitioners to think outside the box, noting that what attracted interest to any outdoor campaign was creativity.

Introducing the acronym "GIGO" (garbage in garbage out), he reasoned that the integrity of output was largely determined by the integrity of input.

This presents the question before advertising agencies, clients, industry regulators and consumers, this last category being everyone.

Are we impressed with the quality of the creative input?

The question is; "Are we impressed with the quality of the creative input; with regards to the level of creativity of our outdoor campaigns?"

As professionals, we must introspect deeply on our identity strength and leverage it to make contributions that refine society and define the march of our civilization.

This is because we are not mere "communications practitioners".

Beyond the semantic implications that the word "creativity" conjures in the marketing and marketing communications disciplines respectively, there is a nuanced morality to the word," the expert stressed. He bemoaned the MCW (million-channel world) phenomenon that had befallen the practice, which he said had brought about what he described as "democratisation of noise through the increase of channels."

Rule of the game is engagement

Citing three foreign outdoor works - OBI, Miserior, Apotek and the role creativity played in sustaining public interest in the brands, Awosika charged Nigerian professionals to do away with these staid posters and repeat placements as well as boring adverts the industry was replete with.

He said that the rule of the game is engagement, noting that consumers want to experience a brand and not just be sold to.

Awosika counselled the creative desks as well as every worker in the agency to make creativity a management tool. "Adverts must be engaging and participatory too, hence the demand for creativity today," he stressed.

On his part, the President, Outdoor Advertising Association of Nigeria (OAAN) as well as the President, West African Federation of Out-of-Home Advertising, Charles Chijide, while speaking on "Out-of-Home Advertising in Africa: Challenges and Prospects", defined the concept OOH to mean any type of advertising that thought the consumer while he or she was outside the home.

Chijide said that the profession, which began over 84 years ago in 1928 with Quad Crown Posters, had faced numerous challenges over the years.

Challenges

Besides the problem of languages in the course of practice within the West Africa sub-region and on the continent at large, he listed other challenges such as religious diversity, taxation and fees, laws and regulation as well as clients' relationship management. He also raised the issues of quality human resource and engagement (majorly on self-evaluation among practitioners).

On taxation, Chijide said that across Africa, the burden of doing business was so huge as so many direct levies were on outdoor advertising practitioners. He decried that due to poor tax regulation, these fees resulted in multiple taxation as players end up paying for same items in different shades.

Also enumerated were laws and regulations which Chijide said manifest in the myriad of policies by various government institutions and agencies, which most often times are unfriendly to outdoor advertising practice on the continent.

Tackling the agency/client relationship challenge, Chijide said that probably due to the growing need for economic survival, the relationship between outdoor advert agencies and their clients had been on the decline, mostly in the area of clients keeping with their contractual obligations (especially payments of invoices).

Bearing the financial burden

He noted that this development had led to many agencies having to bear the financial burden of acquiring location permits, purchasing and installing display panels or boards as well as paying levies and taxes.

Regarding finances, Chijide noted that their job was not made easy with the asking of collateral by banks before loans could be sourced if ever gotten at all.

He also bemoaned clients' indebtedness to agencies, which according to him, ran into millions of naira.

In the light of the foregoing, Chijide asked governments, regulators and clients alike to lighten the financial constraints facing members through issuance of Certificates of Occupancy to agencies with display permits, alongside the size of financial investment such sites cumulatively to support bank loans and thus boost agency's operations, that clients accept the contract terms of pre-payment, while the practitioners give issuance bond, clients' payment of due invoices, and holiday tax for practitioners.

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