

OOH - people are getting out more

 By Erik Warburg

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Currently, out of home (OOH) is an exciting sphere to be in. People are spending more and more time out of their homes, and there are an increasingly growing number of OOH options available to the advertiser.



With increased accountability and measurement in the medium, OOH is finally taking its rightful place alongside the likes of TV, radio and print on the media planner's schedule. Digital is elevating OOH to new heights, and with the growing trend of convergence in the market place, OOH is able to provide targeted, relevant advertising to a growing number of people.

Trends we foresee happening in 2012 are as follows:

1. **Convergence**

Different media platforms are converging. Cellphones are now creeping into the OOH space.

Response to advertising is easier than ever. People can be tracked via social networks to physical locations. Never before has it been so easy to reach people as accurately outdoors as now.

2. **Digital**

OOH is going digital. This is happening faster in some areas than others (eg Europe and the Far East are a lot more digitally developed on outdoor than we are). South African is catching up, though, with newer and better screens and networks opening all the time.

Currently there are good networks in airports, business hubs and some retail networks. Expect more to follow, as prices come down and quality improves.

3. **Fragmentation of opportunities**

There are more options on OOH than ever before, from billboards to activations to mall advertising, bus advertising, cab advertising and bespoke, custom-made opportunities. OOH is no longer just billboards, but an ever-expanding list of exciting options and possibilities.

4. **New brands testing outdoor**

As fragmentation of OOH continues and cheaper options appear, more brands are testing it out. With geographic-specific data now available, the extra measurability means that brands that have previously ignored OOH are now testing the waters.

If the [alcohol ad ban](#) gets passed, expect even more new brands to test OOH, as a large set of good OOH inventory will become available overnight (similar to what happened with tobacco advertising).

5. **Improved accountability**

OOH has for many years suffered from a poor reputation due to a lack of accountability. This is changing, due to specialist auditing companies and independents monitoring the OOH space on a frequent basis.

Also, the competition amongst OOH media owners has never been so stiff - there are now literally hundreds of media

owners competing for the same spend. This is ensuring that media owners are improving their offerings, and accountability is one of the areas that is attracting a lot of focus.

6. Improved measurements

OOH has struggled historically with an accurate way of measuring performance. Without an accurate measurement system, advertising spend is often lost to the other ATL media types, such as TV, print and radio, especially now with an increased focus on accountability by the larger advertisers.

However, there are newer, better measurement systems being introduced and tested which should help the industry to compete with the other media types.

7. Consolidation of media owners

As mentioned, there are literally hundreds of OOH media owners in SA. With the recent recession, the competition has become intense, and I foresee a period of consolidation happening in the OOH space over the next few years, as the larger media owners acquire the smaller ones.

With stricter council regulations in place, this process will happen even faster as larger media owners seek to maintain their holdings.

8. Alcohol advertising

The proposed ban of ATL alcohol advertising is still on the cards, although when this would happen is anyone's guess.

Some alcohol companies are viewing this period as a time to maximise their OOH exposure to gain the last advantage before the ban kicks in, while others are already cutting back on OOH advertising to focus on other channels which are more sustainable.

9. Smaller formats, more packages

Advertisers have become a lot more frugal with their budgets - demanding better results with less money. In the OOH arena, this has meant that smaller formats (eg citilites and primelites) have been particularly successful, at the expense of larger, more expensive formats.

The move to package sites together is also gathering steam, as the SA market develops and becomes closer in nature to the European markets, where almost all OOH is bought as packages.

10. Outdoor used to push search

OOH has been proven to be a great catalyst to get people to search online. As the world of personal computing continues to expand, this is becoming ever-more relevant, as people are now using their smartphones, iPads, laptops and other personal devices to stay in contact whenever and wherever they are.

11. Competitive prices

Much of the pricing in SA in 2011 was off the back of the inflated 2010 ratecards, especially in the airports. What has happened is that occupancies have been low in these areas, and prices have dropped as a result.

I foresee this continuing into 2012, as there is still a nationwide surplus of OOH inventory (approximately 20% of billboards were empty in August 2011, as an example).

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