

Out-Of-Home But Not Out-Of-Place

Marketers are returning to the great outdoors.

Frustrated by the declining ability of television to deliver mass reach that is cost-effective, advertisers are putting renewed emphasis on reaching people when they're away from home.

Out-of-home media companies are encouraging this trend, offering new ad formats while touting out-of-home as the "unavoidable" medium. But is the 24/7 coverage offered by out-of-home really the simple answer to reaching consumers on the move?



M I L L W A R D B R O W N ' S P O V

O c t o b e r 2 0 0 7

Outdoor advertising is getting a great deal of attention from marketers these days. While accounting for only a small proportion of overall ad spending, outdoor advertising, also known as "out-of-home," is gaining share rapidly in both established and developing economies. Only online advertising is growing faster.

Advertisers have good reason for revisiting out-of-home communication. The combined effects of a number of trends have made consumers more mobile. Urbanization is increasing around the globe, and commutes between home and workplace are longer than ever, in terms of both time and distance. With TV audiences now fragmented across dozens of channels, television is not the preeminent reach vehicle it once was. Therefore, marketers who need to reach large numbers of people efficiently are reconsidering out-of-home opportunities.

Emboldened by these developments, out-of-home media companies trumpet the value of omnipresent out-of-home advertising. Paul Meyer, the president of Clear Channel Outdoor, proclaims, "We are the one unavoidable medium. There is no mute button, no off switch. You can't change the channel. We're there." Stephen Freitas, the CMO of the Outdoor Advertising Association of America, describes out-of-home this way: "It's a medium that isn't controlled by consumers. You can't zap it or TiVo it."

Clearly, this is a message that advertisers are happy to hear. But in emphasizing the pervasive, "always-on" aspect of outdoor advertising, the vendors may be doing their customers a disservice. Is outdoor truly an "unavoidable" medium? Is it enough to simply broadcast your message 24/7? Or is there another critical issue that a successful out-of-home strategy must address?

It's Always On. So What?

While it's true that there's no "off" switch for outdoor advertising, that fact is simply a by-product of a more fundamental truth: that there is no *content* associated with outdoor advertising. Outdoor advertising has no program to interrupt, no story to accompany. You can't turn it off, or turn the page, because no programming or editorial content led you to it in the first place. Likewise, the notion that the medium is not controlled by consumers is somewhat misleading. Consumers can't control the medium, but they can and do control something much more important—their attention. Yes, you can put ads out there, and people's eyes will fall on them. But that's like leading a horse to water. The horse decides if he drinks.

The fact is that people only engage with out-of-home advertising when and if they feel like it. Therefore, if you want them to pay attention to your out-of-home ad, you must motivate them to do so.

Dede Fitch

Global Analyst
Millward Brown
dede.fitch@us.millwardbrown.com
www.millwardbrown.com



You must offer them something in exchange for their attention. It may be a simple and seemingly trivial gift, like the color a poster adds to a drab bus shelter, or the amusement a clever billboard provides to someone waiting to cross the street. But an ad that offers nothing is likely to get nothing in return, save for a fleeting glance or a blank stare.

What Are You Giving Your Audience?

Children are taught to write proper “thank you” letters for gifts they receive, whether they really like them or not. Imagine the notes consumers might write in response to some of the “gifts” they’ve recently received from out-of-home advertisers:

Thanks for the ads on the back of the airplane seats, and on the tray tables, too. All that color and text leaping out at me made my economy class seat seem that much cozier. And boy did I have plenty of time to enjoy it — we were stuck on the tarmac for six hours! They never put any food or drink on my tray, but at least I had your ad. Now, whenever I see your brand, I’ll remember the time it took me twelve hours to get from Chicago to New York.

Wow! That shouting gas pump is awesome! You know, I can get weather and traffic reports (and ads, too) on the radio in the air-conditioned comfort of



my car, but Gas Pump TV adds sensory elements — the sound of traffic, the smell of fuel — that make me appreciate my quiet leather interior that much more. Thanks!

I’m writing about those ads you gave me at the checkout counter — the ones on those plastic dividers we shoppers use to separate our orders on the belt. I should have thanked you long ago, but, you know, I just never noticed those little messages before! I’m sorry I missed them. It sure was nice of you to think of me.

In emphasizing the pervasive, “always-on” aspect of outdoor advertising, the vendors may be doing their customers a disservice.

It’s Not Just The Thought That Counts

Unfortunately for advertisers, it’s not just the thought that counts. Though real consumers aren’t likely to write thank-you notes of any sort — sincere, spiteful, or tongue-in-cheek — they won’t appreciate advertising that’s intrusive and irrelevant either. Advertisers interested in using some of the newer out-of-home formats should think about what people will be doing when they encounter the ads, and how they’re likely to be feeling. Will they be rushing or relaxing? Will they feel energetic or weary, alert or preoccupied, eager or anxious? What will motivate them to engage with an ad? Advertisers who don’t address these questions may end up wasting a strong creative idea in an inappropriate setting. And as out-of-home advertising moves from space that’s readily accepted as public into that which is considered more private and personal, the value of the gift offered to the audience needs to increase in proportion to the intrusiveness of the ad.

Big Displays Are No Big Deal

It may seem paradoxical, but the largest out-of-home formats are usually the least intrusive, since viewers need only to turn their heads a few degrees to look at something else. Advertisers have little to fear from exploiting these venues, except the challenge of breaking through with creativity that’s truly memorable.



The posters used in transit stations, though smaller and closer to their audience than roadside bulletins and Times Square spectacles, must also work hard to be noticed. Advertisers continue to experiment with new ways to reach the thousands of commuters who pass through major rail hubs and subway stations each day. During the summer of 2007, Westin Hotels & Resorts spent \$30 million on transforming transportation hubs around the United States into “places of renewal” as part of the brand’s “This is How it Should Feel” campaign. Aimed at business travelers, the campaign culminated in August when the subway station at New York’s Grand Central Terminal was given over to messages of escape and revitalization. The effect extended beyond the posters and wrapped columns on the platforms into the subway cars themselves, which were decorated with one of three themes: a tropical rainforest, a sauna (with adjacent Icelandic lake), or scenes from under the sea.

There is no content associated with out-of-home advertising; it has no program to interrupt, no story to accompany.

Westin’s extravagant effort injected a bit of fun and variety into the commutes of thousands. Though an indifferent few may prefer the diversion of their newspapers or BlackBerries, most daily travelers appreciate anything that helps them through their commute. Research conducted in England by TNS on behalf of CBS Outdoor showed that Londoners objected less to transit advertising than to ads in other media, and, in fact, 87 percent of those surveyed preferred Underground scenes with advertising over those showing blank walls.

CBS Outdoor is currently in the midst of a £72 million (\$144 million) undertaking to give Londoners a lot more advertising to appreciate underground. The innovations include cross-platform projection systems and thousands of LCD panels lining corridors and hanging alongside escalators. The networked displays can be changed or updated from day to day or even hour to hour, allowing for more flexible and time-sensitive messaging, a benefit to both advertisers and commuters.

But Do Sweat the Small Stuff

Another new out-of-home development, in transit space and elsewhere, is the appearance of ads in small spaces, nooks, and crannies that were previously free of advertising. For example, the “GrabAd” transit handle presents straphangers with an ad—providing that they’re able to crane their necks to look at it. While many of these new ad formats are innocuous enough, advertisers should evaluate each one for its potential to irritate people.

In airports, these new ad forms are springing up in some unexpected spots. For example, in a number of



Courtesy Westin Hotels & Resorts/Deutsch, Inc.

regional airports in the United States, ads are appearing in the bins at security checkpoints. For the right advertiser, this could be a smart buy. The security process is tedious and full of starts, stops, bumps and jostling, and a wry or humorous ad could make the process more tolerable. For an advertiser like shoe retailer Zappos.com, one of the first to use the space, it’s also an especially appropriate placement. (Ads for carry-on luggage, especially bags for laptops, are also likely to be noticed here.)

Ads on baggage carousels, such as those now appearing in China’s Beijing Capital International Airport, may also provide a distraction that’s appreciated. During the wait for checked luggage, tourists might appreciate information on lodging and dining options. It might also be a good time to remind jet-lagged travelers of refreshments such as Coke or Red Bull.



Most people would probably agree that baggage carousels and security bins are part of the “public” space in an airport. The surface of the airplane tray tables, on the other hand, begins to encroach on the personal space of travelers. In the cramped quarters of an economy class seat, there seems to be little advantage for either an advertiser or an airline to introducing an element that makes a passenger feel even more confined. Advertisers intent on using this space ought to try to ingratiate themselves by offering the traveler something with a great deal of potential for diversion, such as a puzzle or an illustration with hidden pictures — anything that helps to pass the time.



Something They Can Take Home

Advertisers have always offered entertainment, diversion, or useful information to entice people to attend to their ads. Now, however, they also have some new options. New technology allows advertisers to provide people with tangible rewards for interacting with ads. For example, using Bluetooth-enabled devices, people can download items such as coupons, vouchers, or audio clips. Westin offered a ring tone for download from certain displays as part of its summer “renewal” campaign.

Other interactive options are provided by two-dimensional bar codes, known as QR codes, which have been used in Japanese print and poster ads for several years. When readers take a picture of a QR code with their phones, they are bounced to a Web site that might offer them a coupon or inform them that

they’ve won a prize. In 2005, Northwest Airlines used giant QR codes on billboards in Japan to pull people in to a game on their Web site, offering free flights as prizes.

The Japanese have had phones equipped to read QR codes for some time now; Western mobile users are just beginning to take advantage of this facility. QR codes appeared in North America for the first time this summer in posters advertising the Vespa scooter on the streets of Toronto. Those who snapped pictures of the codes found out if they’d won a T-shirt, a discount on merchandise, or the grand prize, an LX50 Vespa.

While many of the new out-of-home formats are innocuous enough, advertisers should evaluate each one for its potential to irritate people.

Conclusion

Out-of-home advertising offers a wide and still widening range of opportunities for marketers to make contact with consumers. But to use it effectively, advertisers must be tuned in to the changes in people’s moods and mindsets as they move from place to place over the course of the day. Advertisers who fail to attend to these nuances may not only botch their opportunities to communicate — they may damage the standing of their brands. However, those who can shrewdly and tactfully win the interest and goodwill of their audience have an excellent opportunity to drive their message home, from any location.

To read more about out-of-home advertising, visit www.mb-blog.com.

