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OVAB Digital Media Summit: Focus on Digital Out-of-Home

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NEW YORK, NY— “You are doomed,” said Bob Garfield, Editor-at-Large for [Advertising Age](#) and author of the new book “[The Chaos Scenario](#).” Mr. Garfield delivered the keynote address for OVAB’s 2nd Annual Digital Media Summit: Focus on Out-of-Home, to a packed room of thought leaders from the advertising and marketing industry.

Who could have predicted that the monolithic status of television, radio, magazines, and newspapers would crumble right before our eyes? Mainstream media used to control the message—not so anymore. Consumers watch, read, and listen to what they want, when they want it. The digitization of media has altered consumer behavior forever. “Ad spending can’t support media anymore, this is a structural change,” said Mr. Garfield.

For marketers who are still rooted in traditional media, the landscape looks rather bleak. Like it or not, you’re going to need a new game plan to engage with consumers. Mr. Garfield has a name for the seismic shift that traditional media is facing. He calls it “*The death of everything*.” But don’t worry—there’s hope.

Social media has changed the equation. “The Internet is a word-of-mouth engine,” says Mr. Garfield. Consumers are listening to each other—and they’re talking about your brand. “In a connected world, the consumer knows far more than you. You’re not in control of your brand anymore...and you better *not* piss them off,” he added.

In the new world order of digitization and social media, marketers need to learn to listen to consumers. “You need to make sure that an irritated consumer doesn’t become an irate consumer,” said Mr. Garfield. If you’re listening, you have the opportunity to perform a sort of “marketing jujitsu” and flip the consumer back around to your point of view. Brands have the ability to forge new relationships with consumers and aggregate an audience a little at a time. Mr. Garfield calls this the art and science of Listenomics.

As it turns out, there is a ray of hope for marketers. Mr. Garfield believes that online media and out-of-home media will survive and prosper. “Out-of-home is the last great play in the advertising world. You can avoid traditional media, but out-of-home media is the one exception to that,” he said.

360° View of Marketing and Media

“Marketers who aren’t taking advantage of this [DOOH] are going to be left in the dust,” said Bob Liodice, CEO, [Association of National Advertisers \(ANA\)](#). Mr. Liodice was part of a panel discussion that explored the current trend in out-of-home media. He was joined by Judy Vogel, Sr. VP, Director of Research at [PHD](#); Mike Wehrs, CEO at the [Mobile Marketing Association \(MMA\)](#); Suzanne La Forgia, CEO of OVAB; and Jonah Bloom, Editor at [Advertising Age](#), who moderated the discussion.

Digital out-of-home has made significant advances in the last year, but obstacles to its adoption remain. The medium was just hitting its stride before the recession hit and slowed down its momentum. Advertisers are looking for new channels to reach consumers and recognize the medium’s ability to deliver targeted messages effectively. Yet many advertisers still want more proof. So when do advertisers start taking risks with a relatively new medium? For some advertisers, it’s a matter of taking a leap of faith.

“All of our clients want to know about digital out-of-home, and they’re asking the right questions,” said Judy Vogel. Regarding measurement and media integration, Ms. Vogel added, “It’s harder to figure everything out now because everything is designed to work together. The issues that are compounding the problem are metrics and accountability. We’re not just talking about an isolated media plan, we’re talking about helping clients understand what integrated media can do.”

“Emerging technology is the way to the future. We’re now seeing opportunities to mass market on a global basis. It’s going to happen, it’s just a question of when,” said Mr. Liodice.

“Engagement is what this is all about, and making it personal is what this is all about,” said Mr. Lodice. How do you measure engagement? “OVAB is giving agencies the tools to measure,” said Suzanne La Forgia, CEO of [OVAB](#).

OVAB launched the [Audience Metric Guidelines](#) at [last year's Digital Summit](#). The Guidelines enable a measurement standard for digital out-of-home media that is comparable to the metrics currently used for television, Internet, radio, and other traditional media. OVAB introduced the Average Unit Audience (AUA) metric that consists of three components: Presence, Notice, and Dwell Time. The AUA metric provides networks with a consistent media currency for reporting data providing comparable metric to media buyers and planners.

OVAB just announced at this year's conference that eleven of its member companies have completed third-party audience research studies based on the Audience Metrics Guidelines. In accordance with the Guidelines, Access 360 Media, Adspace Digital Mall Network, Buzztime, Captivate Network, CBS Outernet, Channel M, indoorDirect, Premier Retail Networks, RMG, Target Channel Red, and Zoom Media & Marketing have submitted data that outlines how their audience research was conducted.

“This announcement marks a significant shift as a large group of networks made the investment to move beyond traffic measures as their media currency to data based on audience impressions. Their data will give advertising decision makers the information they need to compare them with other traditional forms like television, the Internet, and print,” said Ms. La Forgia. “OVAB companies are releasing their data to their key agency and advertising partners now and will continue to over the next several months. We look forward to more announcements like this as more research studies are completed.”

Prove It To Me

Earlier this year, a major media buy was announced by [Chrysalis](#), a strategic planning unit of [MPG](#), for their client Schering-Plough. The media buy marked a major milestone for digital out-of-home for its scope and scale. Schering-Plough spent almost \$10 million to advertise its sun care, foot care, and upper respiratory products across 17 digital signage networks for a period of 12 weeks that began in April 2009. The results of the campaign were presented as a case study by Sean Smith, Planning Director at MPG, and Ray Rotolo, Senior VP, Managing Director of Chrysalis.

The process began with a form of “speed dating” that enabled an array of digital out-of-home networks to pitch their venues to Schering-Plough and the MPG team. After a period of discovery was completed the selection was narrowed to 17 networks that included Access 360, Indoor Direct, Danoo, Ideacast, and Zoom Media.

During the 4-month period that the campaigns appeared, more than 700 million ad impressions were recorded. The campaign included 7 of Schering's products that included Claritin Liquid-Gels, DrScholl's For her, DrScholl's Massaging Gel Insoles, Tinactin Chill, and Lotrimin Ultra. Each brand ran for a 2-month period.

Methodology

On-site consumer intercept studies were conducted that included interviews with 1,035 people, across 4 networks in 20 locations who were exposed to the Claritin campaign. The interviews were done with a nearly even split of males and females with an average age of 39, and 51% reported their household income above \$50,000. On average, consumers visited the venues 2 times per week with an average dwell time of 42 minutes.

The Results

The Research was performed by Arbitron and revealed that the ad recall for digital out-of-home was on the high-end of the scale, coming in second behind television. Sixty-two percent specifically remembered seeing the Claritin advertising, and of those, 26% said they were likely to buy. Among allergy sufferers, the number increased to 73%. More than 2 out of 3 people (68%) noticed the screens.

It's All About the Strategy

“You're planning against the medium,” said Mr. Rotolo. It's important to know the venue. What is the point-of-sale opportunity? Is there a target affinity? What is the role of content and interactivity? These are all data points that need to be factored into the decision-making process.

“It works when it's the right message, at the right time, but it's all about the strategy,” said Mr. Rotolo. You need to understand when you can influence the consumer in the purchase funnel. That's how advertisers are looking at it.”

“Brands need to be smarter about how they engage consumers and digital out-of-home media is part of the solution,” added Ms. La Forgia.