

COLUMNS

Out-of-home media in 2017: Embracing the seismic shift towards audience

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Language of love

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In many ways, there is a degree of security for out-of-home (OOH) media owners when it comes to the long-term sustainability of their businesses. While the channel suffers from dwindling spend in favor of more measurable digital alternatives, at the core of it, OOH media owners have a lengthy shelf life because of their rigid occupation of the physical realm.

Mobile devices will move to the eyes (augmented reality, or AR), transforming the Interactive Advertising Bureau (IAB) standard formats and all that goes with them.

Television viewing habits will continue to constantly evolve. But still, there is little that stands in the way of a 48-foot billboard on the side of a highway, a widescreen TV above your cross-trainer at the gym or breaking news in the elevators of every major city.

To be clear, this does not mean these OOH businesses can lie on their backs and wait for the checks to roll in not at all. They still need to maximize their position in the media landscape and constantly evolve to stay relevant in a connected world.

But the only real way for an OOH media owner to be seriously hurt in the long term is if they pursue costly innovation in the wrong places.

So, what are the potential traps that OOH media owners are at risk of falling into on their journey towards the next big pivot?

Traffic in people

There is one that looms in plain sight but, in many cases, is being ignored: that is the industry-wide shift to buying audiences instead of specific locations.

There was a time when, if you wanted to buy OOH media in a city, you could select media owners who occupied specific places or venue types that you felt matched your desired audience: business people in office buildings or

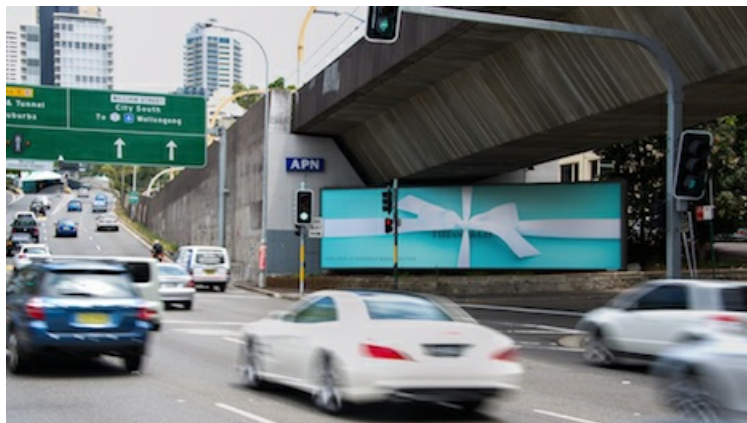
vehicle owners at gas stations, for example.

Not anymore.

Big Data now shows us where specific people are in the real world and the implications are significant because it affects all aspects of planning, buying, serving and measuring OOH media effectively changing the way it has been traded for several decades.

In the race to adopt mobile data and programmatic principles in the OOH space, many media owners have invested heavily in building just what the industry has been begging for, but with the one glaring limitation: it is only applicable to their own inventory. And, in the population centers, even the largest and most prolific OOH media owner makes up only a portion of the assets that are available in a specific target area.

Buyers do want automation, platforms and programmatic in the OOH space. But the rapid shift to choosing placements that are informed by big geolocation data, at scale, means that tools are needed to encompass all available media owners who are present in specific types of locations not just one or two.



Tiffany billboard below an overpass

Some of the best tools for buying OOH media can be found on the internal servers of individual media owners, but it is only their own inventory that can be transacted with them.

Perhaps the thinking is that buyers will concentrate spend with the media owners who offer them the best tools. This is sadly not the case and I worry that these tools will become redundant as buyers move toward automation and the pursuit of aggregation over individual placements.

Platform shows

What the OOH channel needs is an independent tech platform that sits above the industry, combines rich data with programmatic automation for both analogue and digital assets and offers buyers a vendor-agnostic marketplace to transact within.

So, where is the solution going to come from if not from the individual media owners? It cannot be the agency specialists, or even their holding group parents. They do not typically like investing in tech platforms because margins are so tiny there are few media agencies with the stomach to make the investment.

I believe the answer is going to come from mobile and digital ad-tech. They were born into programmatic trading, and they also conveniently house the Big Data needed to make it all possible.

Now that attribution and ROI can be measured using this data, suddenly OOH assets are looking very attractive to the digital trading desks. Demand-side platforms are starting to extend their inventory pool into digital OOH as proof that the market is seeing this ancient channel in a new light.

DATA IS THE great equalizer. It is the common denominator for all media channels and means that silos can now happily converge without conflict or duplication.

If you have the right audience plotted on a heat map and can measure their behavior post-exposure, it really does not matter in the slightest what surface delivers the impression. Here's to the rebirth of OOH in the year of Big Data.





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