

OOH Thrives as a Diverse, United Ad Medium

April 22, 2019



My Turn

By Nancy Fletcher
President and CEO
OAAA

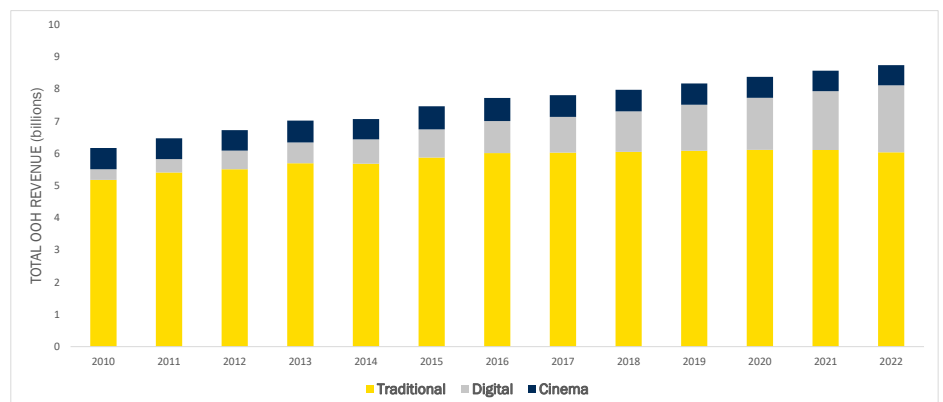
In today's era of highly targeted media options, OOH has emerged as a central ingredient within the most thoughtful communication strategies. The power of OOH is recognized by savvy brands and agencies who understand the medium is a force that drives consumer connections and engaging personal experiences. OOH is as relevant as ever because it can amplify the impact of all other media, particularly today's largest ad channels –online and mobile.

Since the contributions OOH makes to a successful media plan are often considerable, it should be of little surprise to learn every major OOH category grew in revenue last year – billboards, street furniture, transit, and place-based. The growth was across-the-board with increases in both static (printed or painted) and digital assets.

Today, digital OOH (DOOH) represents about 29 percent of total OOH revenue. There is no doubt DOOH is growing at a fast pace, and there are several reasons for the growth. Brands are excited about the flexibility DOOH provides. Likewise, brands continue to rely on the brand-building power of presence that a static OOH ad can provide.

Some of the growth associated with DOOH can be attributed to conversion. When a static OOH asset is converted to digital, the revenue is reallocated from static to digital. It amounts to moving dollars from one pile to another. Conversion has become a common practice for billboard, street furniture, and transit inventory. Conversely, most digital place-based networks are newly-built assets and continue to expand into new venues every year.

Despite the conversion of existing OOH inventory to digital assets or the construction of new DOOH inventory, the entire OOH industry is experiencing substantial growth. Last year the industry grew 4.5 percent, and the trend is continuing into this year. In fact, OOH as an industry has grown consistently for the past 35 quarters.



Past and projected growth of static and digital OOH formats (2010-2022)
Source: MAGNA

Some people may have a misconception about the OOH medium today, seeing DOOH as a new and distinct media channel, separate from printed or painted OOH. It is not.

OOH advertising is a single, valuable media channel defined by a wide range of display sizes and shapes that are improved over time with advanced technology. Static and digital assets alike target and reach real consumers actively engaged in the physical world. Knowing whether an OOH asset is printed, painted, or digital is important

only as it relates to an advertiser's strategy. What matters is the ability of a particular OOH asset, located in a specific place, to communicate a message to passing consumers. Any OOH asset can reach the right consumers, with the right message, at the right place and time.

OOH media companies - whether inventory is primarily digital or static - are more alike than different. That is the strength of a fully integrated OOH industry. That is the singular, united power of OOH advertising.

I'd love to know your thoughts on the upcoming conference. Please contact me at nfletcher@oaaa.org or call OAAA at (202) 833-5566.



The Get Out of Home campaign spotlights OOH's diversity and connection to digital and mobile channels.