

Debunking

Myths and Misconceptions

about

Out-of-Home Advertising 2022



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INTRODUCTION

Technology has driven out-of-home (OOH) advertising to a place where its performance is on par with its broadcast and digital counterparts — but for a fraction of the price.

There's just one problem: misconceptions and memories of OOH's past linger, getting in the way of how today's advertisers leverage this powerful performance channel.

OOH advertising is experiencing a renaissance at a time when it's growing increasingly more difficult for advertisers to reach target audiences across other channels.

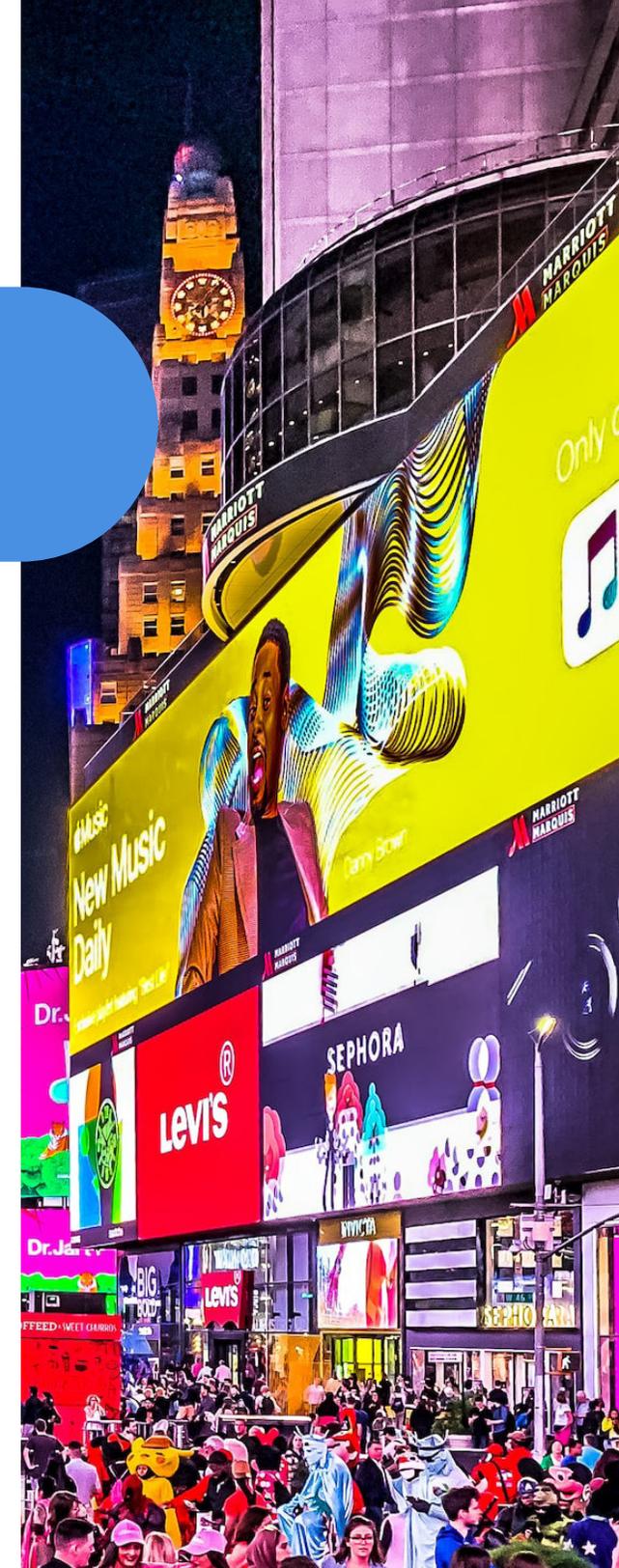
For starters, broadcast impressions are down and screen fatigue is high.

Consumers aren't responding to digital channels like they used to, due to misinformation, distrust and concerns around privacy. On top of all that, the cost of advertising across these channels is up, forcing media buyers to spend more than they used to in order to achieve the same results.

To tackle these challenges, businesses, brands, and agencies are giving OOH a more prominent spot in their media mixes. They're also streamlining their efforts, turning to online OOH buying platforms that help plan, launch, measure and optimize outdoor campaigns.

So, how are **innovations in OOH technology** helping advertisers today? And how are **misconceptions of its past still holding advertisers back** from achieving their campaigns' full potential?

AdQuick set out to find out.





SURVEYED
100+
B2B & B2C
ADVERTISERS

METHODOLOGY

In the summer of 2022, AdQuick partnered with a third-party research firm to anonymously survey more than 100 B2B and B2C advertisers in the United States. AdQuick wanted to get to the bottom of common misconceptions professional marketers hold regarding the OOH's pricing, audience reach, campaign timelines and vendor landscape.

The survey was also designed to gather advertiser insights into the **cost, time requirement, performance, targetability** and **measurability** of outdoor advertising. This report outlines the false impressions marketers have about OOH's past, shares insights into today's outdoor advertising marketplace and highlights opportunities to improve future OOH campaigns.

SUMMARY OF FINDINGS

Once bad impressions take hold, they can be hard to shake. This rings especially true with OOH, which earned a bad rap thanks to decades of advertisers being stuck with outdated, fragmented and volatile booking systems. Fortunately, **the days of time-consuming vendor research, cold calling and non-transparent negotiations are gone.** But misconceptions remain.



New innovations enable marketers to quickly launch intelligent, data-backed campaigns like never before. Research from the Out of Home Advertising Association of America even shows **OOH performs at a rate 4.8-6.9 times greater than expected based on its share of ad spend.** And yet the survey findings demonstrate the stronghold old notions have on many advertisers, especially when it comes to the time, money and resources they think it takes to launch an OOH campaign and measure its performance. The following page shows some data to prove it.



TIME

80% of respondents believe OOH takes longer to launch compared to other media channels. For example, though OOH campaigns can easily be launched in under a week with the right technology, only 2% of the marketing professionals believed this to be the case.



BUDGET

Price was listed as the **No.1** obstacle to increasing OOH investing, yet the average CPM of outdoor media is less than \$5. Just 2% of advertisers surveyed realized that OOH was so affordable, and over 54% expected OOH CPMs to cost upward of \$10.



RESOURCE

Today, **thousands** of OOH vendors operate across the U.S. but more than 60% of marketers surveyed believe there are just dozens. This ties into more than two thirds of respondents saying it's more difficult to launch outdoor advertising campaigns.



MEASUREMENT

75% of advertising professionals surveyed believe it's still harder to measure OOH than it is to measure other ad channels. Of the metrics considered, 44% said offline conversions were the most challenging.



It's time to reconcile common misconceptions with modern OOH. Here's what today's advertisers need to know to leverage OOH as the powerful performance tool it is.

TIME

Outdoor advertising is commonly associated with having laborious, manual processes that require weeks to research, plan and execute – but that’s no longer the case. Today, some advanced technologies, such as AdQuick’s OOH buying platform, **enable the fast and automated delivery of campaigns in as little as a day.**

Although OOH campaigns can be launched in less than a week (and as fast as 1 to 2 days), **only 2% of advertisers surveyed believe a campaign can be launched that quickly.**

When compared to other marketing channels, 80% or more of the marketing professionals surveyed believed on multiple lingering misconceptions:

82%

believed launching a comprehensive campaign requires **working with multiple vendors.**

IT DOESN'T!

82%

agreed that outdoor advertising campaigns are **managed through more of a manual process.**

IT ISN'T!

80%

believed that it **takes more time to launch a typical OOH campaign** than most other channels.

NOPE!

The truth is that with tools that enable advertisers to work smarter, not harder, ad campaigns are benefitting from more accurate planning, faster execution, and increased flexibility to optimize campaigns.



BEST PRACTICES:

- Utilize a leading online OOH buying platform to cut your planning time in half
- Embrace programmatic digital OOH (DOOH) for maximum agility

BUDGET

With a CPM of less than \$5, OOH advertising is one of the most cost-effective mediums around, but that hasn't translated into marketers always getting the best deals. The historically disjointed OOH marketplace was once riddled with price transparency issues. Although this is no longer the case, the belief is now deep rooted. Today, more than two thirds of advertisers surveyed for this report say the OOH marketing channel has less transparency in pricing than its advertising counterparts.

Only **2%** of advertisers surveyed believe **OOH's average CPM averages under \$5.**

OOH also delivers outsized value which is especially salient given the challenging advertising environment facing marketers today. Some 64% of advertisers reported needing to spend more money to get the same results as compared to 12 months ago, and most reported noticing a drop in broadcast (72%) and digital/social media (53%) campaign performance.

What these advertisers may not know: while accounting for just 4.1% of total ad spend in 2021, the OAAA reports that OOH generates a similar or greater share of online activations than TV, radio, video, banner, and print ads.

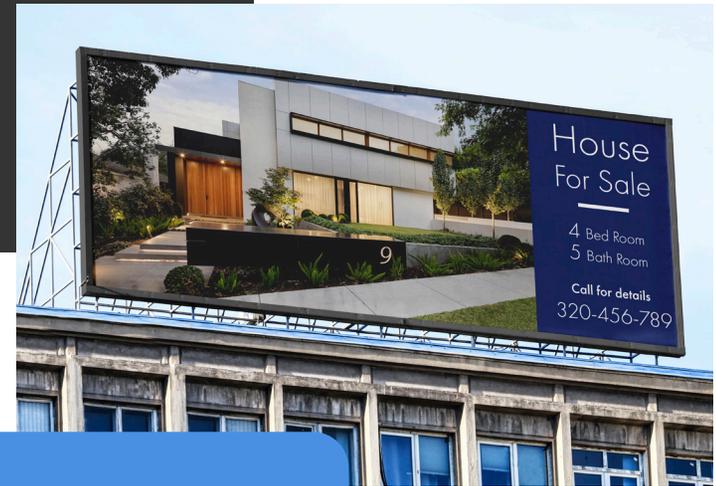


So, what's holding some advertisers back from realizing the efficiency of OOH?

Misconceptions about pricing.

Even though OOH is the media channel listed least likely to see a decrease in spending in 2023, respondents cited pricing as the greatest obstacle to increasing their OOH spending.

However, by working with a leading online OOH buying platform like AdQuick, advertisers can gain access to historical pricing data, price transparency, predictive performance tools, and multi-factor cost calculators to get the best price guarantee when planning and launching their OOH campaigns.



BEST PRACTICES:

1 Broaden your OOH ad buys to include mid-sized (and lookalike) markets

2 Diversify ads beyond the billboard to formats with higher value and lower costs

3 RFP as many vendors as you can so you can spur competitive pricing

4 Work with an online OOH buying platform to give context on historical pricing

RESOURCES

If there is a recession, 61% of respondents expect to see marketing headcount reductions.

While the future of marketing departments may be in flux, OOH's future is clear. Campaigns will be driven by data-fueled technology that enable smaller, yet more-efficient teams to launch high-performing OOH campaigns. Advertisers once needed on-the-ground, and specialized experts, to launch campaigns across multiple markets. Boots on the ground and established ties with media vendors meant those advertisers with a local footprint got the best ad placements.

Industry technology has eliminated this costly need. Now, AdQuick's easy-to-use platform can connect advertisers with the more than 1,400 media vendors across the U.S. Advertisers can even view inventory availability in real time. This means advertisers receive RFPs and make planning decisions faster — saving time, money and resources when launching OOH campaigns.



BEST PRACTICES:

- Use an online OOH buying platform to automate the RFP process.
- Launch highly targeted campaigns in the right places with audience data.

TARGETABILITY

Despite 75% of advertisers with OOH experience considering the medium's overall targetability effective, our results show advertisers continue to underestimate outdoor advertising's **highly sophisticated targeting capabilities**. In fact, compared to other advertising channels, two thirds of respondents say OOH makes it harder to reach target audiences. It's time to dispel this illusion.

Technology advancements and access to robust audience data mean advertisers in the OOH space are now planning and executing targeted, high-performing campaigns easier than ever before. That is, they are actually launching hyper-targeted OOH campaigns in just minutes.

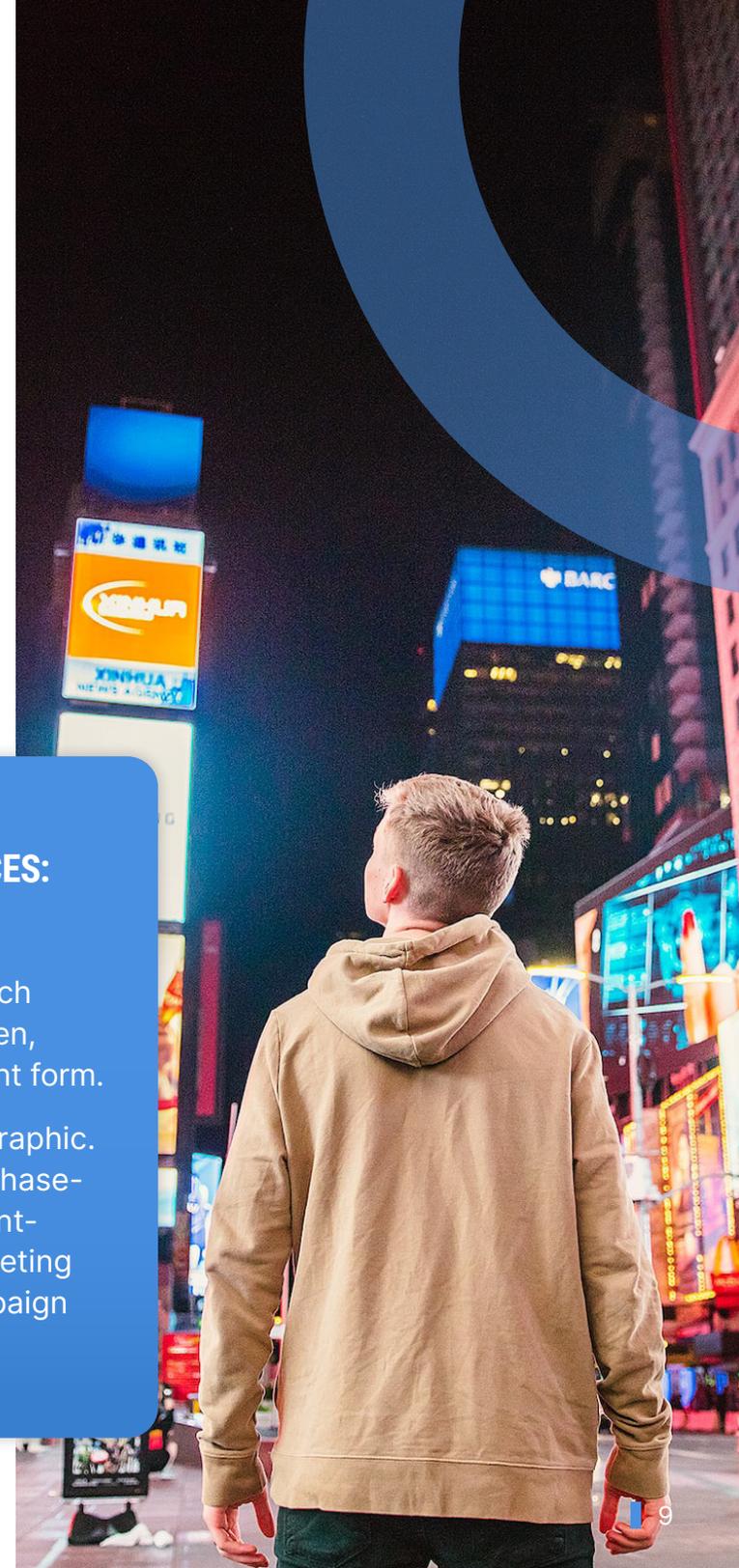
How? OOH advertisers are leveraging data on audience movement patterns, audience purchasing habits, market characteristics, demographics and more — giving them **clear insights into the right location, format, and creative most likely to capture consumer attention**.

So, while demographic and interest-based targeting are still seen as OOH's most effective audience-targeting methods, with 83% of respondents believing this to be true, the truth is that OOH's targeting capabilities are wide-ranging, yet highly filterable to pinpoint key audiences.



BEST PRACTICES:

- Leverage data to reach target audiences when, where, and in the right form.
- Don't stop at demographic. Use behavioral, purchase-based, and movement-based audience targeting to amplify your campaign effectiveness.



MEASURABILITY

No longer used predominantly for branding exercises to build brand awareness, OOH still struggles to be seen for what it actually is — *a powerful performance channel with deep data insights and measurement capabilities that contend with those of digital marketing.*

OOH advertisers can now effectively measure their campaigns beyond the limits of the general awareness metrics of impressions, frequency, and reach. *Full stop.*

Yet, 75% of respondents still believe that OOH is harder to measure than its counterparts. The metric they find most challenging to measure: offline conversions (44%). The easiest: lift (70%).

With the right tools in their modern marketing tech stack, **outdoor advertisers are measuring performance down to individual ad units with actionable, granular-level data on metrics** such as branded searches, social media mentions, sales lift analysis, and, even, offline conversions.

Leveraging these quantifiable insights, advertisers are optimizing their campaigns in real time.



BEST PRACTICES:

- Take advantage of OOH's full funnel measurement ability
- Measure on a hyper-granular level to directly attribute campaign results by unit



BEST PRACTICES TO IMPLEMENT

Given the results of this study, and insights into the modern, technology-driven OOH advertising marketplace, here are some best practices to keep in mind moving forward.

1 WORK OOH INTO YOUR MARKETING MIX. Leaning too far into digital or broadcast can be costly and risks missing key members of your target audience. Instead, diversify formats and work OOH into your marketing mix to boost results of broadcast and digital campaigns.

2 IMPROVE OOH PERFORMANCE BY USING DATA AND GRANULAR TARGETING. Successful campaigns require strategic planning to maximize relevance. To get a leg up, begin incorporating data and more granular targeting to reach the right audiences each and every time.

3 LEVERAGE TECHNOLOGY TO AUTOMATE CAMPAIGN EXECUTION WHEN STRAPPED FOR RESOURCES. In the face of macroeconomic headwinds impacting team headcount, smaller marketing teams should rely on modern OOH buying platforms to accomplish more with less.

4 RUN MORE AGILE AND FLEXIBLE OOH CAMPAIGNS BY LEVERAGING ADVANCED TECHNOLOGIES. Digital OOH, programmatic digital OOH, dynamic ad creative, and data-driven planning mean today's campaigns can be agile and flexible, setting brands and agencies up for success.

5 UTILIZE TECHNOLOGY THAT ALLOWS BESPOKE MEASUREMENT. Online advertising gives first-hand visibility into ROI for every advertiser. Thanks to modern OOH technology, the same is now true for outdoor advertising.

6 EMBRACE REAL-TIME PERFORMANCE DATA AND FULL-FUNNEL MEASUREMENT OF OOH AD CAMPAIGNS TO ENABLE MID-CAMPAIGN OPTIMIZATION. Outdoor advertising campaigns aren't "set it and forget it" any longer. Modern OOH technology means advertisers should continuously monitor their campaign performance so they can make changes when needed on a dime.



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