



Digital Out-of-Home Buyer's Guide

How to reach the on-the-go consumer

FEBRUARY 2016

This document has been developed by the IAB Digital Out-of-Home Task Force.

About the IAB Digital Out-of-Home Task Force

The IAB Digital Out-of-Home Task Force is a group of IAB members who work together to help define the growing Digital Out-of-Home space as a channel, while establishing its place in the larger digital media mix and interactive advertising industry. The Task Force strives to educate marketers and agencies on the value of Digital Out-of-Home as a powerful and effective advertising medium.

IAB Digital Out-of-Home Task Force Members

AT&T Adworks	Intel	Nielsen
Audience Entertainment	Intersection	Outfront Media
Ayuda Media Systems	In-Transition	RhythmOne
Billups	Kinetic Worldwide	VISIT FLORIDA
Cadreon	Live Nation	Vistar Media
Clear Channel Outdoor	Magna Global	Xaxis
Gimbal	NBC Universal	
Havas Media	NEC VUKUNET	

About IAB

The Interactive Advertising Bureau (IAB) empowers the media and marketing industries to thrive in the digital economy. It is comprised of more than 650 leading media and technology companies that are responsible for selling, delivering, and optimizing digital advertising or marketing campaigns. Together, they account for 86 percent of online advertising in the United States. Working with its member companies, the IAB develops technical standards and best practices and fields critical research on interactive advertising, while also educating brands, agencies, and the wider business community on the importance of digital marketing. The organization is committed to professional development and elevating the knowledge, skills, expertise, and diversity of the workforce across the industry. Through the work of its public policy office in Washington, D.C., the IAB advocates for its members and promotes the value of the interactive advertising industry to legislators and policymakers. Founded in 1996, the IAB is headquartered in New York City and has a West Coast office in San Francisco.

IAB Contact Information

Rena Unger
Director, Industry Initiatives
rena@iab.com



Table of Contents

Overview.....	2
Digital Out-of-Home Defined & Simplified	3
Format Distinctions.....	3
• Large Formats	3
• Spectaculars	4
• Venue Based and Public Spaces.....	4
• Custom Formats	5
How to Plan and Buy Digital Out-of-Home	5
Standards, Measurement, and Protocols for Digital Out-of-Home	5
Buying Practices.....	6
Emerging Technology – Ad Serving, Automation, and Data.....	6
Behavioral Buying	7
Digital Out-of-Home Effectiveness	7
Location Based Mobile Research	7
Location Based Effectiveness Studies	8
Foot Traffic Studies	8
Cross-Channel Attribution.....	8
The Future of Digital Out-of-Home.....	8
References	9
Appendix.....	10
Digital Out-of-Home Format Matrix.....	10

Overview

Digital Out-of-Home: Dynamically-served visual medium that reaches consumers on the move, with advertising that is targeted, un-skippable, and always above the fold.

As it becomes increasingly challenging to reach today's consumer in the fragmented media landscape, the effectiveness of Digital Out-of-Home (DOOH) advertising has become more significant to brand marketers. While out-of-home is one of the original advertising mediums, digital advancements are continually introduced to give consumers the dynamic interactivity, social connectivity, and relevant local brand messaging they value, in real time, driven by data that fosters authenticity. Buyers utilize familiar data-driven capabilities to increase efficiency for marketers to reach their customers at the right time in the right place.

With the Growth of Mobile, Consumers Are Out-of-Home

Consumers are more mobile than ever—increasing the visibility of out-of-home media. The growth of mobile usage correlates to Americans spending about 70% of their time outside of the home, an increase of 50% over the past two decades, according to research by the OAAA. 60% of consumers' digital media time is now spent on smartphones, tablets, and apps, according to Comscore's "[2014 U.S. Mobile App Report](#)." The rise of the mobile consumer has expanded marketer's abilities to connect with audiences across multiple touch points.

Market Growth

Out-of-Home (OOH) ad spend was \$7.0 billion in 2014, representing a growth rate of 1.1%, [according to the OAAA](#). Based on 2014 figures, the market share between OOH formats (billboards, transit, etc.) is split as follows: 67% billboards, 16% transit, 12% alternative, and 5% street furniture. According to eMarketer, advertisers in the U.S. will spend \$2.96 billion on DOOH advertising in 2015, making up approximately 40.8% of total OOH ad spending, up 2% from 2014. The industry has experienced consecutive revenue growth for the past 19 quarters, attributed to OOH's ability to effectively connect with local consumers.

Innovative and Evolving Medium

DOOH is continually exploring new roads of innovation in creativity, delivery, and opportunity. With full motion video, dynamic real-time content, social media engagement, mobile geo-targeting, multi-screen messaging, syncing and touchscreen interactivity, augmented reality, mobile to screen, gesture recognition, and more, DOOH advertising rivals the innovation of every digital platform with the ability to reach consumers other mediums simply cannot. It is also an effective reach partner for static out-of-home campaigns as well as for larger media campaigns that integrate television, audio, online, mobile, and print.

Digital Out-of-Home Defined & Simplified

This guide represents the diverse ecosystem of Digital Out-of-Home. The following terms have been developed by IAB to support the holistic and unique opportunities available.

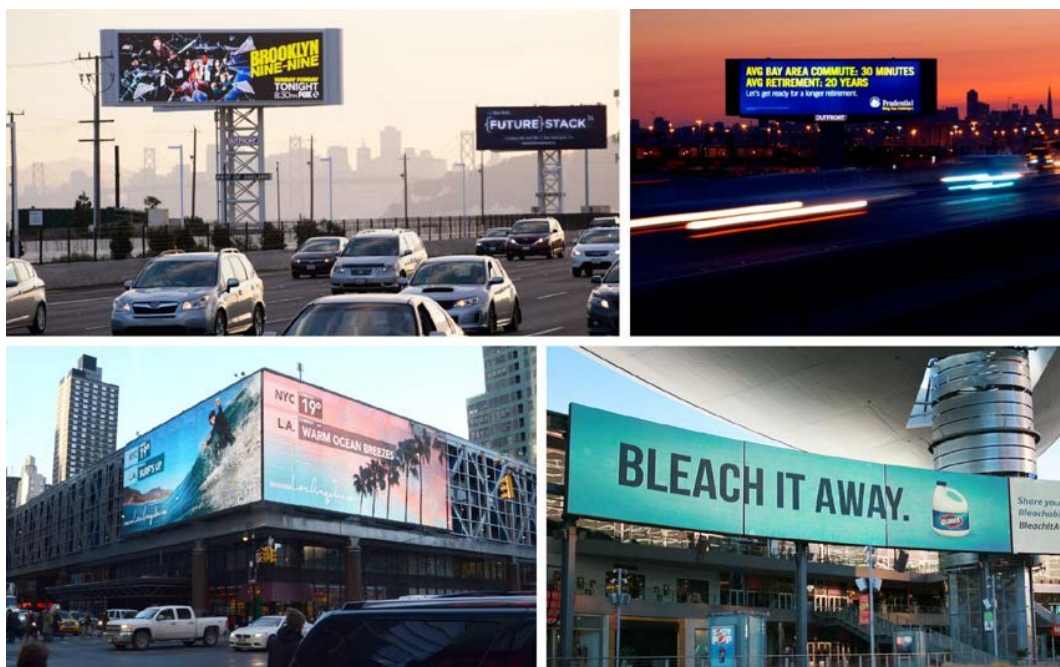
DOOH refers to ads, content, and video showcased outside the home. The message delivery is supported by rich and dynamic digital technology, maximized with real-time capabilities to target consumers on-the-go. DOOH encompasses a variety of screen shapes, sizes, and levels of interactivity.

From digital billboards and signs atop taxis, to place-based digital messaging at airport gates, gyms and waiting rooms, DOOH provides a bridge between context and location. It ranks high in relevance and favorable recall—vital components of any media campaign, due to its high level impact and flexibility, relevant to each unique environment, public or private, outside the home.

Format Distinctions

DOOH advertising can be found in nearly every shape and size in both large and small formats and found in public spaces, dense city areas, highways, and private venues. See the DOOH format matrix in the [appendix](#) for further details.

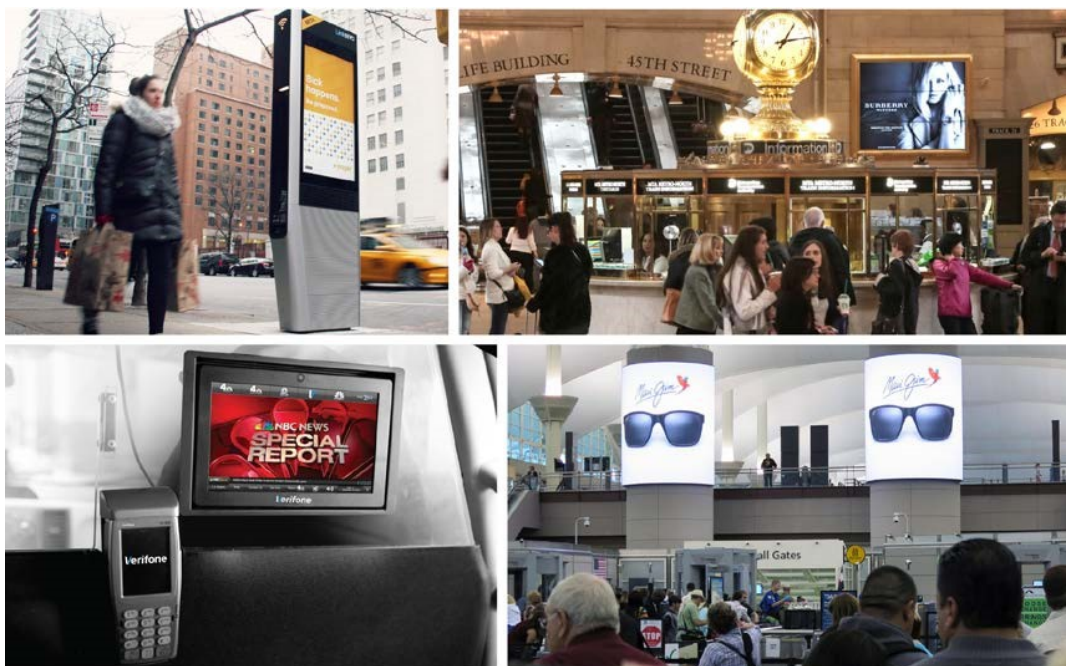
- **Large Formats** are designed and elevated for clear viewing, generally more than 50 feet, and are typically found on highways, high traffic commercial, industrial, and major metropolitan areas. This format delivers high impact exposure and is available in a wide range of markets.



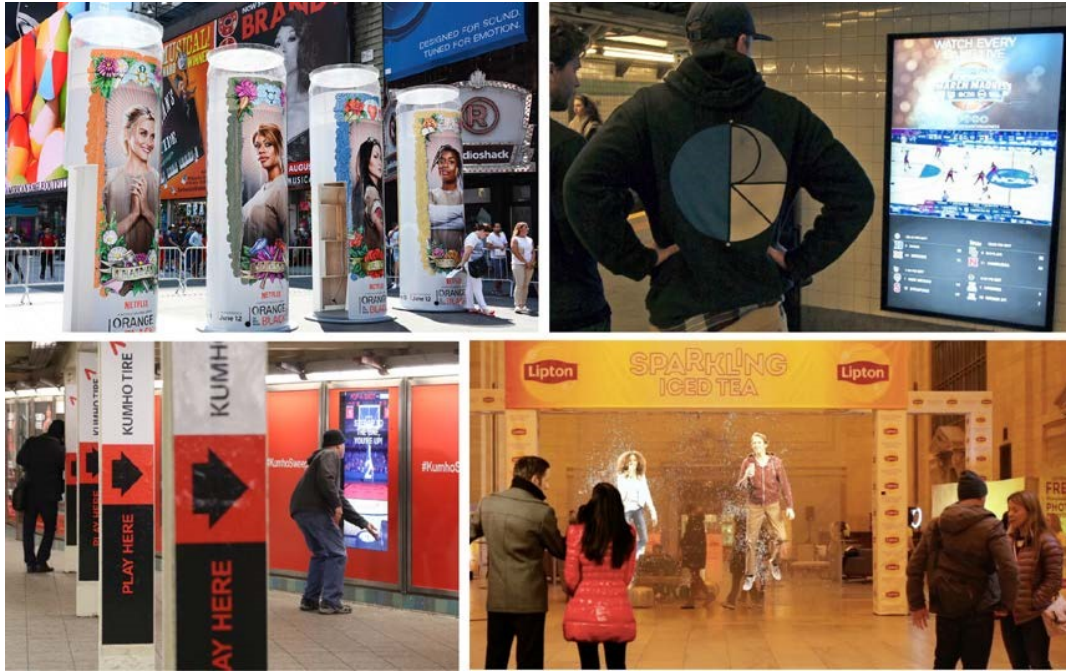
- **Spectaculars** are considered high impact units with full motion, often targeting pedestrians in heavy foot traffic areas such as Times Square and Downtown Los Angeles, and also include iconic districts such as Sunset Strip.



- **Venue Based and Public Spaces** typically focus on targeting pedestrian traffic and are commonly found at street level or within a venue. Examples include displays found within municipal properties, health clubs, airports, office buildings, taxicabs, etc.



- **Custom Formats** complement robust large and small DOOH networks, creating custom opportunities typically used for events and pop-up installations. These formats can range from digital projections, to digital mobile billboards/buses, to empty storefronts that are transformed to create interactive digital experiences using gesture and touchscreen technologies.



How to Plan and Buy Digital Out-of-Home

DOOH is more than a marketing channel; it is a behavior. It is present throughout consumers' travels and daily routines, whether commuting to work, visiting family or taking a road trip. **These screens are uniquely positioned as a communication channel that reaches consumers with unparalleled frequency, especially considering on average consumers spend 75% of their time on-the-go.**

Standards, Measurement, and Protocols for Digital Out-of-Home

A number of organizations have been instrumental in leading the charge to standardize measurement for place-based and outdoor media. These efforts have focused on aligning the way out-of-home is measured and transacted with television, print, online, and mobile media in order to remove barriers to investment in this channel.

The Outdoor Advertising Association of America (OAAA), is the national trade association for the OOH advertising industry. The Digital Place Based Advertising Association (DPAA) fosters collaboration between agencies and digital place based networks.

The Traffic Audit Bureau (TAB) reports weekly impressions and ratings for DOOH advertising across more than 200 demographics. TAB reports each ad unit or spot separately within each digital structure. Using speed data from Inrix, and inputs from its viewability model (Visibility Adjustment Indices, or VAIs), TAB calculates a dwell time and contact zone that is unique for each location, then calculates how many people see each spot on each structure. This process is applied to all street-side, street furniture, and transit digital advertising. Variables include traffic speed and congestion, maximum noting distance, road type, digital noticing rate, and ad length.

Nielsen's On Location studies measure similar metrics for venue-based DOOH networks. Their studies showcase metrics with average spot impressions, gross impressions, and audience distributions across various demographic breakdowns for specific place-based networks. Traffic data is modeled using a variety of transactional inputs, syndicated data sets, and on-site counts, while demographic data is collected through a combination of on-site counts, in-person intercepts, and online surveys.

The Media Rating Council (MRC) along with the DPAA have been working on standard digital place-based audience measurement guidelines since 2014. The intent is to implement a two-phased approach and incorporate DOOH guidelines as well, once digital place-based standards have been finalized. The final standards will be reviewed by IAB and other industry associations as well.

Buying Practices

DOOH media is a time-based medium, with pricing largely based on impressions and/or share of voice (SOV). Location can also be used to buy inventory in proximity to a specific point of interest.

A typical digital billboard has eight slots in a loop, each 8 to 10 seconds long. Each advertiser receives $\frac{1}{8}$ SOV when all of the inventory is sold. To gain a larger SOV, advertisers can buy multiple slots within the same loop.

Based on the rating system used for a particular type of digital inventory, the overall estimated impressions will be calculated over a specified period of time (four weeks is common). Rates may be based on a variety of factors including location and demand.

Traditionally, out-of-home media plans are created based on four strategic factors location (CBSA/DMA) or proximity to point-of-interest, contextual relevance, network, and demographics (TAB/Nielsen). As new data sets emerge to describe consumers' physical world behavior, media buyers will be able to utilize advanced behavioral targeting strategies to reach audiences.

Emerging Technology – Ad Serving, Automation, and Data

Over the past few years, a number of technology companies have entered the DOOH space to assist standardization and offer cross-network ad delivery reports in centralized online dashboards similar to the capabilities of ad servers in the online space.

Although ad serving has not fully received buyer and seller adoption just yet, the accessibility of learnings from big data is enhancing the value of DOOH buys. Browser-based cookies allowed online marketing channels like desktop display and video to proliferate from behavioral targeting strategies. Similarly, DOOH is now benefiting from data sets that describe consumer behavior in the physical world that can be leveraged to inform behavioral targeting capabilities.



Even static out-of-home formats such as traditional billboards or venue-based formats in transit are benefiting from a data-driven approach. This presents brands with the opportunity to activate against an audience tied to a particular location, based on aggregated data sets.

Behavioral or audience-based buying and selling is in its relative infancy in DOOH, but is growing rapidly.

Behavioral Buying

DOOH media is frequently bought based on location. Many advertisers, especially those serving specific local markets, buy inventory based on CBSA or DMA. Location can also be used to buy inventory in proximity to a specific point of interest. For example, an automotive dealer may choose to buy out-of-home inventory within a specific radius of dealerships.

Another increasingly significant strategy is the buying of DOOH media using behavioral audience segments. There are three types of behavioral data that are currently accessible:

- **Visitation-based behavior** – audiences who have been to a specific store or place of interest
- **Web-based behavior** – audiences who have visited a website or category of websites
- **TV viewing behavior** – audiences who have viewed a TV show or category of shows

All of these behaviors can be linked back to mobile devices, which can tell us where these individuals move while they are on-the-go. These hotspots of activity, which are associated with a specific audience, can be mapped to DOOH media units and bought accordingly. This helps buyers better understand who their advertising reaches and allows more granular user targeting.

Digital Out-of-Home Effectiveness

OOH has traditionally been more challenging to measure than other forms of media because of difficulties in identifying if an OOH ad has been “seen”. The most common solution has been to use survey-based methodologies, which are mainstays of media effectiveness measurement. A more recent development is behavioral measurement, which has been made possible by the availability of mobile positioning data. By tracking user movement, advertisers can pinpoint the individuals who have seen an ad. Their behavior can then be measured and compared with that of a control group to isolate the impact of DOOH.

Location Based Mobile Research

The measurement of DOOH media is improving with new methodologies for attributing exposure, made possible through mobile device location data. Mobile location data can be utilized to verify a device’s precise location and verify exposure by looking at whether or not a consumer’s device was in proximity to a screen at the time an ad ran. Common sources of mobile location data are discussed in depth in the [IAB 2012 Mobile Local Buyer’s Guide](#). The two main sources of mobile location data are latitude/longitude sources from ad impression data, and those sourced directly from an app installed on a device.



Location Based Effectiveness Studies

By triggering real-time survey questions to consumers who have been in proximity to DOOH screens, advertisers can better understand the impact of consumer awareness and consideration. Delivering a survey in the moment improves any bias created by lapses in memory or external influences between the time of ad exposure and the time of survey completion. As the industry continues to accumulate data on consumers' interactions with DOOH media, advertisers will also be able to understand how engagement with this medium is uniquely impacted by the context of location.

Foot Traffic Studies

Foot traffic can also be attributed to DOOH media exposure through mobile location data by analyzing the locations a device visited leading up to a store visit. Advertisers with access to device level data from passive GPS sources or from mobile ad impression data, can attribute a store visit to mobile ad exposure, DOOH ad exposure, or both, based on a consistent device ID. Lift in foot traffic attributable to DOOH media, can be benchmarked to traffic to that location.

Cross-Channel Attribution

As consumers move through the physical world, the smartphones in their pockets are constantly emitting valuable location signals, providing insight into both where they go throughout the day and how they interact with media. With smartphone penetration at 70% in the U.S., according to [Nielsen's Q2 2013 Cross-Platform Report](#), mobile is much more than a channel, it is the connective thread that links online and offline consumer behavior.

Similar to cookies, as the online currency for tracking exposure to ads across desktop media channels (display, search, social), location data from mobile devices enables advertisers to better understand and attribute consumers' exposure to DOOH screens.

Device identifiers for advertisers—IDFAs and Android IDs—can be used to identify a consumer exposed to DOOH advertisements.

The Future of Digital Out-of-Home

The increasing connection of DOOH to its partners is a virtuous cycle that has only just begun. As the digital industry continues to evolve, so too, will DOOH screens.

Among the areas of continuing development, we can expect:

- **EVEN MORE CONNECTEDNESS**

The future promises more screens, and more sources of data to trigger and evolve the right content on these endpoints—connected via standard API protocols.

Whether this is ad content, editorial content (such as city guides, traffic, weather or sports scores) or municipal services, unlocking this data increases the ability to bring a relevant audience the right message, at the right time, in the right place.



- **MORE DATA FOR PLANNING & ANALYSIS**

As the collection and real world visualization of mobile and other sensor data continues to grow and evolve, these data sets will pair more accurately with the precise location of all DOOH structures. This opens the door, to even richer understanding of the audiences who see and interact with DOOH screens.

The scale and impact of mobile intelligence is profound, various forecasts see 25 billion smart devices connected to the cloud by 2020.

Growth of mobile data will enable media providers to deliver more personal and relevant experiences to consumers. By empowering these displays with the knowledge of anonymized, aggregate consumer behavior data, audience understanding grows, providing a highly relevant and valuable DOOH ad experience.

- **MORE INTEGRATION WITH MULTI-SCREEN MESSAGING**

Deeper understanding of exposed consumers in place and time, using mobile devices, leads to even greater DOOH multi-screen storytelling. Marketers can use data to find their targets and location as the trigger to reach detected device IDs on screen with a takeaway or more personalized messages. Mobile GPS will provide even deeper understanding around visit lift or brand lift vs exposure, and other metrics.

In conclusion, advancing technologies and standards will enable buyers and sellers to connect more efficiently and effectively through streamlined ad serving, a wider array of data sets to inform audience targeting, and better tools to measure media performance. With capabilities that include virtual reality, geofencing, facial recognition, beacons, and drones, DOOH is an exciting medium to watch as it continues to integrate itself into all forms of media, connecting with consumers. We look forward to continuing to share its evolution with you.

References

<http://www.oaaa.org/OutofHomeAdvertising/OOHMediaFormats/OOHMediaFormats.aspx>

<http://www.wired.com/2014/12/27-inspiring-designs-2014/>

<http://www.zdnet.com/article/25-billion-connected-devices-by-2020-to-build-the-internet-of-things/>

<http://www.comscore.com/Insights/Presentations-and-Whitepapers/2014/The-US-Mobile-App-Report>

<http://www.emarketer.com/Article/Digital-Account-40-of-Out-of-Home-Ad-Spending-2015/1013107>

<http://www.iab.com/wp-content/uploads/2015/08/IABMobileLocalBuyersGuide.pdf>



Appendix

Digital Out-of-Home Format Matrix

FORMAT TYPE	FULL MOTION VIDEO	SOUND	STATIC DIGITAL	TOUCHSCREEN/ INTERACTIVE MICROSITE	ADS ONLY	ADS & CONTENT	AVERAGE SPOT LENGTH
LARGE FORMAT DIGITAL							
DIGITAL BILLBOARDS			•		•		:8 SEC
DIGITAL POSTERS			•		•		:8 SEC
DIGITAL SPECTACULARS	•		•		•		:10 SEC, :15 SEC
VENUE BASED/ PUBLIC SPACES							
PUBLIC SPACES							
BUS SHELTERS	•		•		•		:8 SEC
CITY INFO KIOSKS	•		•	•		•	:15 SEC
DIGITAL URBAN STREET SIDE	•		•		•	•	:5 SEC, :7.5 SEC, :10 SEC, :15 SEC
DIGITAL URBAN STAIRWELL			•		•		:7.5, :8 SEC, :15 SEC
STREET LEVEL NEWSTANDS	•		•		•		:15 SEC
VENUE BASED	•		•		•		
TAXI EXTERIORS	•		•		•		:8 SEC
TAXI'S INTERIOR	•	•	•	•		•	:15 SEC, :30 SEC
AIRPORTS	•	•	•	•	•		:15 SEC, :30 SEC
TRANSIT STATIONS	•		•	•			7.5 SEC, :15 SEC
HEALTH CLUBS	•	•	•	•		•	7.5 SEC, :15 SEC
OFFICE BUILDINGS	•		•			•	:15 SEC
IN-STORE RETAIL	•		•			•	:15 SEC, :30 SEC
SHOPPING MALLS	•		•			•	:15 SEC
SPORTS ARENAS/STADIUMS CONCOURSE	•		•			•	:15 SEC
BAR JUKEBOXES	•		•	•		•	:15 SEC, :30 SEC
COLLEGE CAMPUSES	•		•			•	:15 SEC, :30 SEC
NAIL SALONS	•		•			•	:15 SEC, LONG FORM BRANDED CONTENT (:90 SEC)