

Why the OOH Industry Needs Online or Programmatic Buying

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Douglas Robertson CEO, Fliphound

We got into the online OOH buying business to drive top line revenue growth, attract new customers, and enable new and differentiated products and services. This is what we cared about when we started and what we care about today.

Simplifying the buying process with automation will allow OOH media owners to tap into more of the 96 percent of advertisers (based on ad spending) who generally don't use OOH and the millions of existing large and small businesses already buying digital ads online. Historically, the OOH industry has been slow to adopt automation versus other media categories. While we have seen examples of the industry moving forward with new technology, like RFP automation and the announcements of private online buying/programmatic platforms by leading billboard companies, the industry remains for the most part off-line.

So how does the industry move online? Here are some of the lessons the OOH industry can learn and adopt from industry leaders like Google, Facebook, and Expedia that can help us tap into online and digital advertisers:

- simplify the buying and selling process with automation
- make inventory easy to find and accessible to online users
- provide pricing and rate information online
- participate in collaborative and open networks
- be willing to broaden services/products (e.g., different frequencies, campaign lengths)
- enable 7/24/365 buying and new functionality like day parting, online coupons, etc
- improve and provide access to measurement tools and audience profiling capabilities
- provide self-service RFP automation and campaign provisioning capabilities



We have seen how regional businesses and small and medium size businesses (SMBs) want to buy OOH online and like the flexibility to pay-as-they-go, start with any size budget, and self-servicing options (such as day parting and the flexibility to change ads). Many of the larger agencies are interested in streamlining and automating OOH buying so they can buy smaller markets (e.g., outside of the top 20) and inventory from independent operators. All advertisers want greater real-time access to pricing and rates, location information, and analytic tools before making a buying decision.

As an industry, we need to simplify and demystify the OOH buying process by providing accurate, relevant, actionable, and verifiable information to advertisers similar to what they have experienced on other online media platforms.

We need to embrace our existing customers and educate the many advertisers who have never tried OOH. Simplifying the buying process via automation is a key step the OOH industry needs to take to cost effectively serve the millions of SMBs, SEO/digital agencies, and local advertisers who want to incorporate OOH into their media mix and previously have had limited access to this medium.

To put this in context, consider that Google (5+M) and Facebook (4+M) are using automation to serve



millions of business customers each month while one of the leading OOH operators in our industry serves less than 50,000 business customers annually. Making OOH buying easy, particularly digital OOH, will allow the industry to access this long tail of the advertising business.

It took the US retail industry 16 years to grow ecommerce sales from less than 1 percent to more than 7 percent in 2015. Less than 1 percent of the OOH industry is automated today for online buying, and only a subset of the OOH industry has bought and executed OOH campaigns online. We have a lot of work to do.

We have a great medium and need to collaborate to make this happen. If you are a digital billboard owner there is no time like the present to start working with a provider to enable your units for online buyers. If you are an existing or potential OOH advertiser, start dedicating a portion of your media budgets to online buys.

Several networks may emerge, but it will require billboard owners and advertisers to think differently and embrace online buying. Pure programmatic buying – advertiser to billboard owner via software -is a few years off but there is no reason to wait.