

50 Interviews Reveal What's On Your Mind

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The out of home (OOH) advertising industry is:

- In transition
- Proud of its capacity to adjust to change, and
- Both optimistic and cautious about the future

Those are key take-aways from 50 interviews I just completed with OAAA principals (thank you interviewees for your time and honesty).

Those 50 principals represent the entire industry, in terms of geography (Manhattan to Chico, CA), size of company, and function (suppliers, manufacturers, specialists, and media companies).

Most views are aligned, but there are perceived differences between OOH media companies operating in large versus small markets. Consensus is clear on these fundamentals:

OOH is in Transition

I lost count of the spoken synonyms for the industry being “in transition,” but most believe we are at the right place at the right time.

OOH is on the verge of becoming something bigger and better, as we complement flourishing digital media in a highly mobile society.

Digital is Key

Connecting OOH and digital (mobile, social, web) is seen by many as the greatest opportunity for the industry today.

All traditional media (except OOH) lost share in the last five years and are expected to continue to decline. OOH market share has stayed constant at 4.3 percent. At the same time, digital media doubled in share, from 18 to 35 percent, and is expected to hit 49 percent market share by 2019.



Diet Coke shared tweets on digital billboards, connecting OOH with mobile and social media.

Assessing this massive migration of advertising dollars to digital (mobile, social, web), OOH optimists point out that ad buyers are willing to move their dollars, by a lot. Worriers make the same point.

A family-owned billboard company principal said his inventory is sold out, much of it under long-term contracts with long-time customers. But that principal ponders this question: when those longtime deals are up, could those customers move ad dollars to mobile media?

From either perspective, billions of dollars are up for grabs.

Data is Important

In addition to digital-OOH convergence, many of the leading minds in OOH believe that data represents the single biggest opportunity we have as an industry, describing new capabilities in how we collect, process, and analyze data that will allow us to target audiences with more precision, engage them with more relevant messages, and measure the return on investment of OOH like never before.

Mainly, We're Optimistic

Last year was solid for OOH and this year is good so far, even though principals worry about rising development costs and government bureaucracy. They also feel pressure to figure out technology and make the right investments.

Success in our industry depends on recruitment of new talent with new skills, as technology brings more automation and eventually autonomous cars. Most OOH principals are confident about our industry's ability to adapt, grow, and prosper.

What You Want (from OAAA)

This hasn't changed: you want effective lobbying from OAAA to protect industry interests.

You expect your trade association to have perspective on complex issues, to unite disparate forces, and to lead with one voice.

You also want industry unity and promotion.

All companies promote themselves, but you want a collective "halo" over the entire industry. Promotions like Feel the Real, positive research studies, and strategic public service create a glow for all aspects of the industry, and showcase our medium.

What All This Means

Interviewing 50 principals gives OAAA clarity about our mission. With your direction, we are committed to protecting your interests and helping member companies embrace the digital future.

I enjoyed talking with 50 principals nationwide, and I look forward to speaking with more of you in Boca Raton and in the months ahead.

As always, should you have questions or comments, please contact me at nfletcher@oaaa.org or call (202) 833- 5566.