



OOH Effectiveness: Sales & Brand Metric ROI Analysis

CPG Food Category Summary

December 2023

CPG Food

- Ad Spend Trends
- optimizing Sales RROAS
- optimizing Brand Metric ROAS

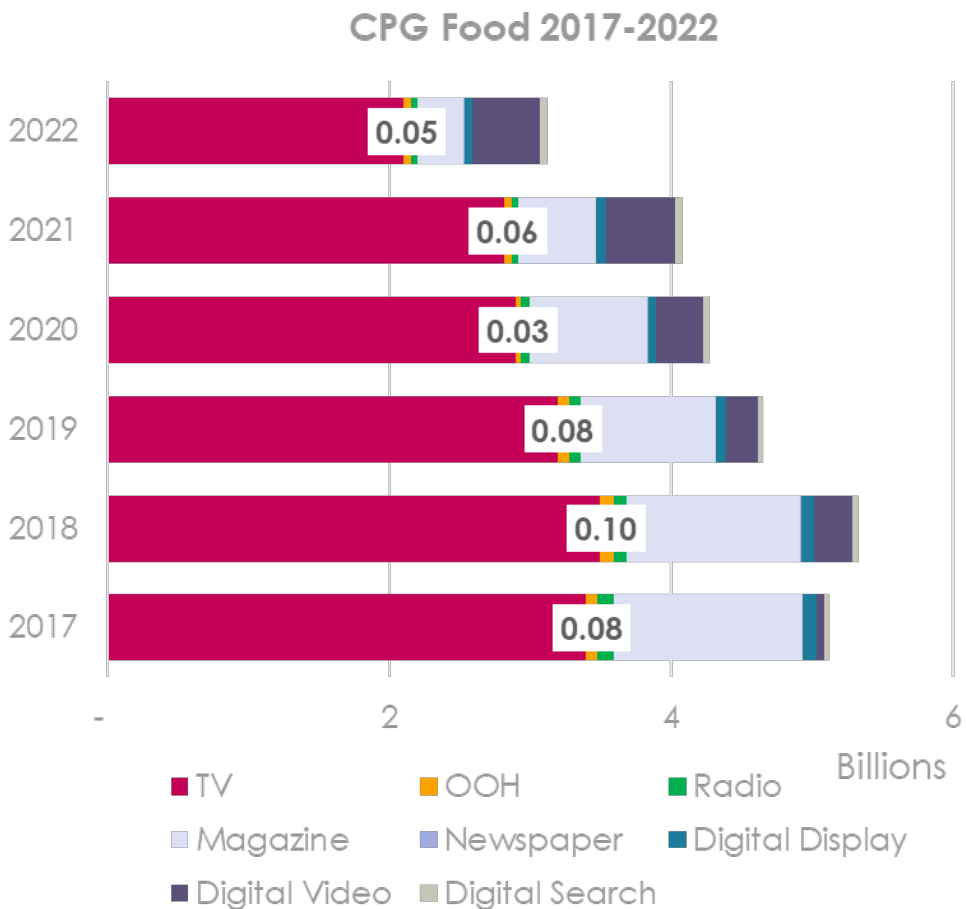




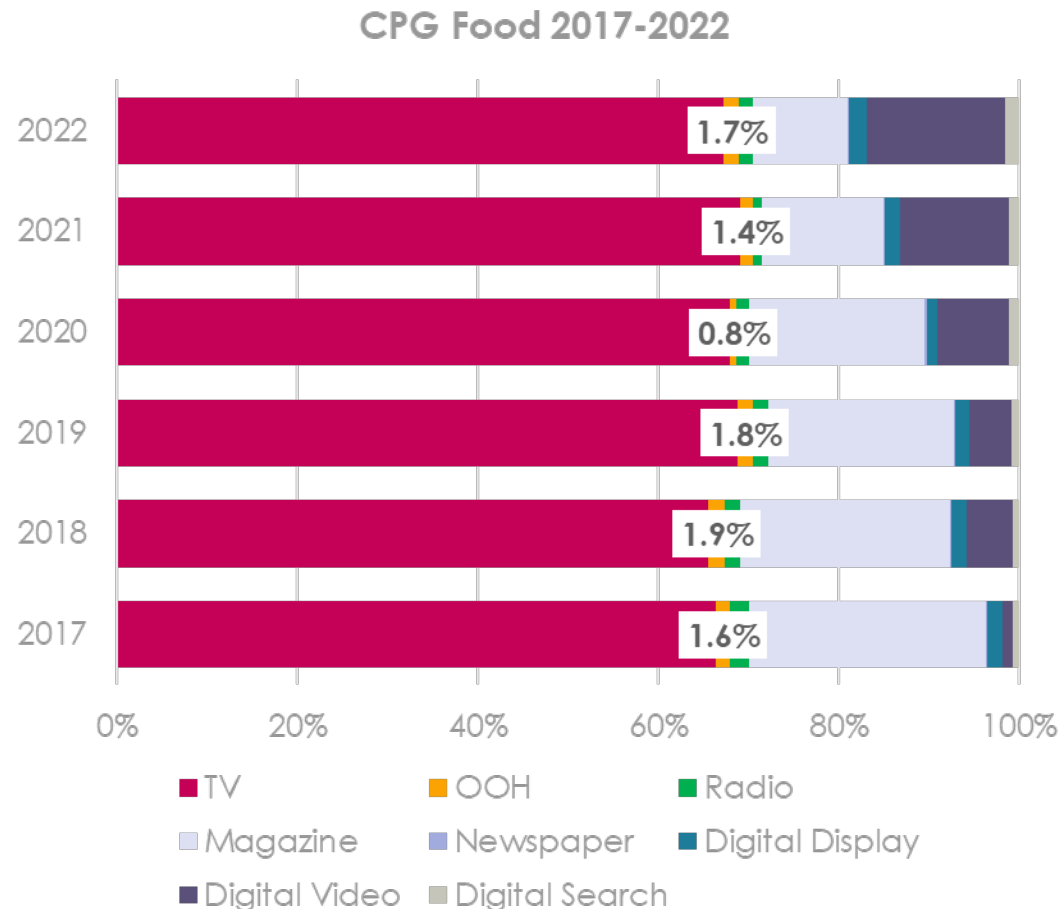
Vivix CPG Food Spend by Year

OOH spend has increased since 2020 but not back to pre Covid levels

Vivix \$bn spend by channel by year



Vivix % spend by channel by year



OOH includes cinema, Vivix has a 39% uplift applied to OOH (as OAAA estimates Vivix only captures 72% of total OOH spend)

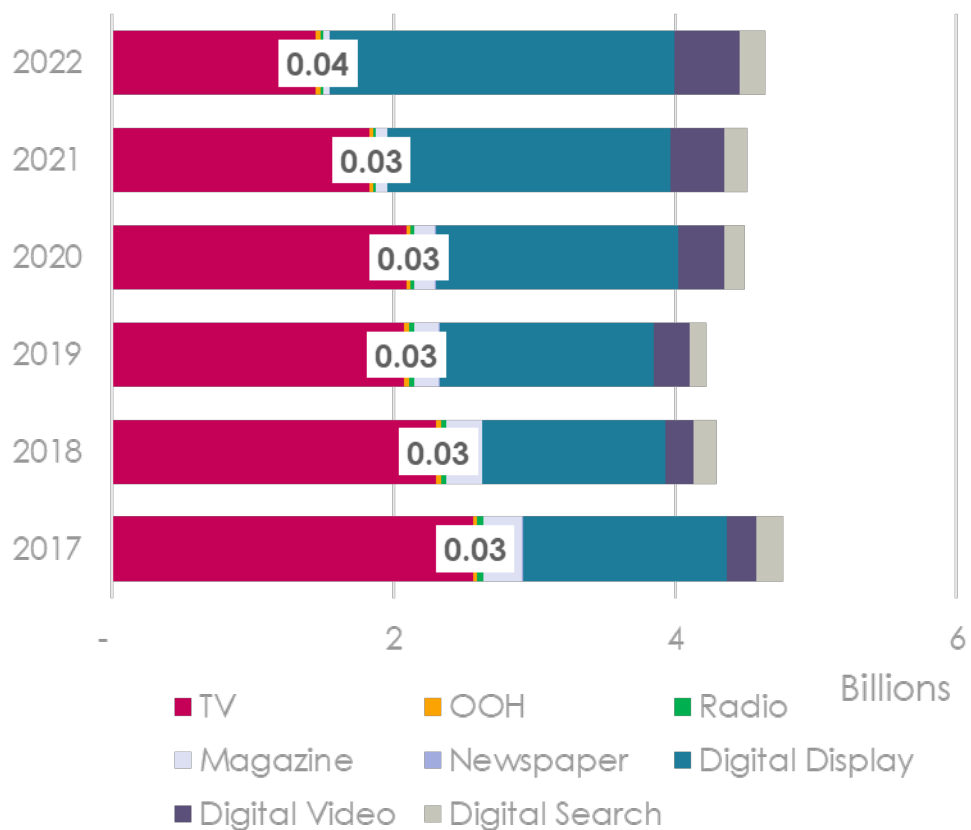


SMI CPG Food spend by year

SMI shows growth in OOH spend in 2022 and stronger growth in Digital than seen in Vivvix data

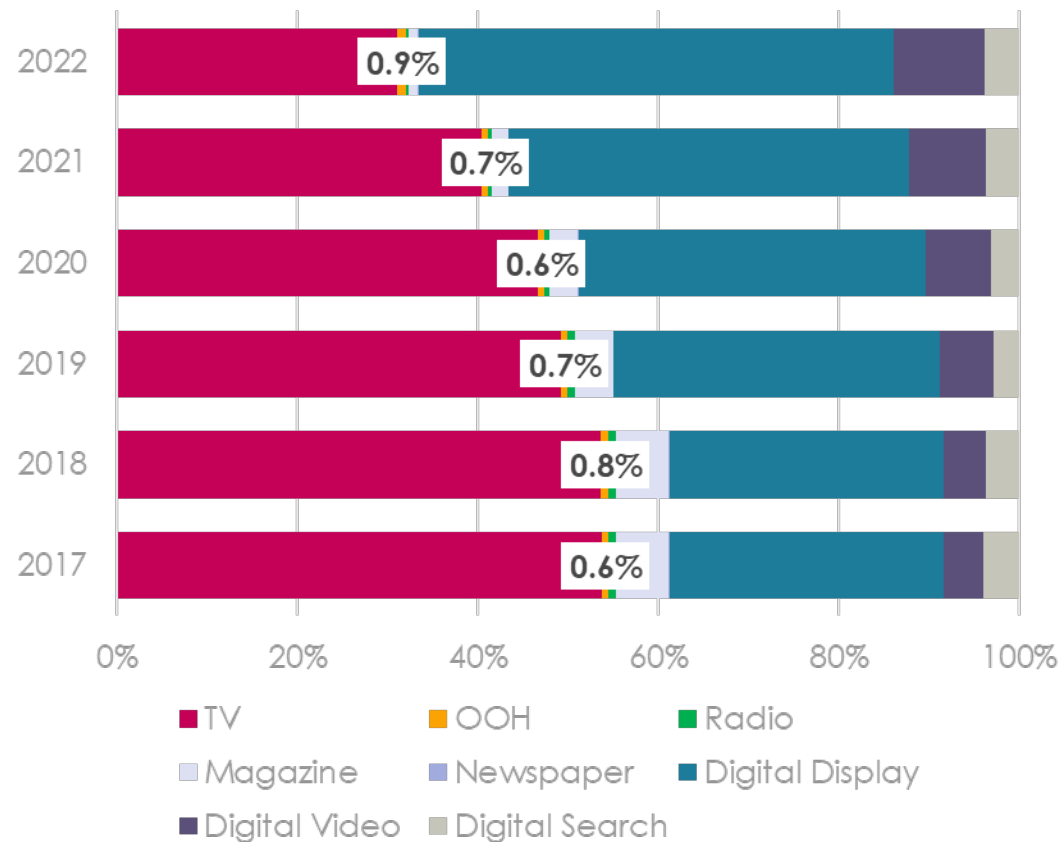
SMI \$bn spend by channel by year

CPG Food 2017-2022



SMI % spend by channel by year

CPG Food 2017-2022

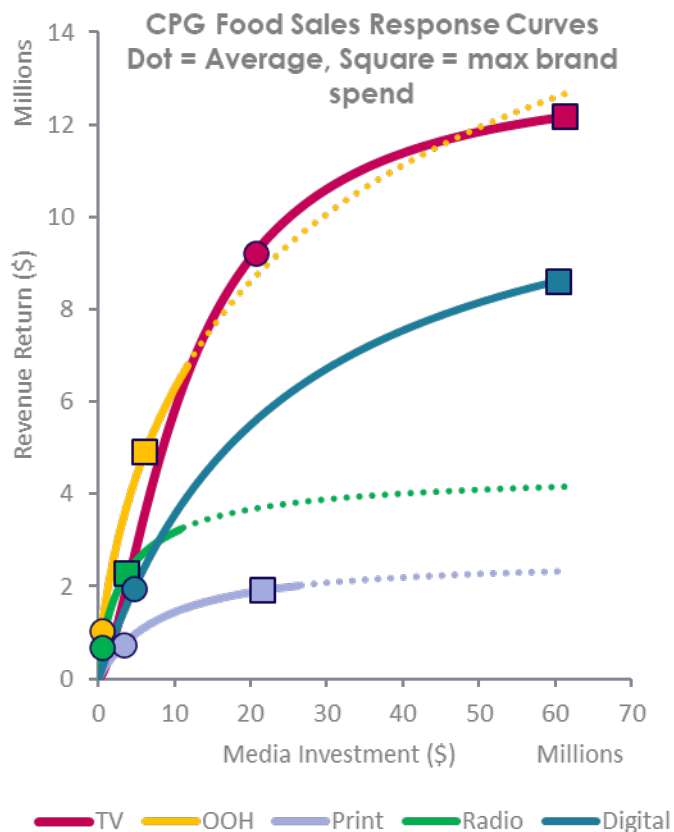




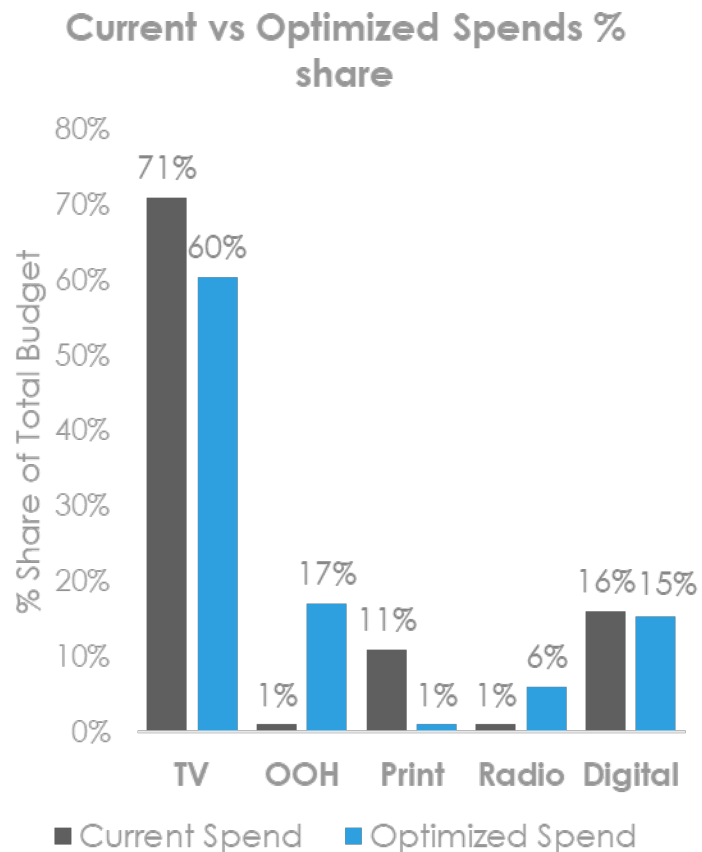
CPG Food: Optimizing sales RROAS using MMM sales curves

Increasing OOH allocation up to 17% and decreasing TV allocation to 60% increases RROAS by 27%

Sales response curves to identify optimal spend levels



Using the response curves to optimize current spend levels



Recommendations and Results

Decrease TV to 60% and **upweight OOH to up to 17%**
Also increase Radio

Extra \$3.47m revenue generated using the same budget

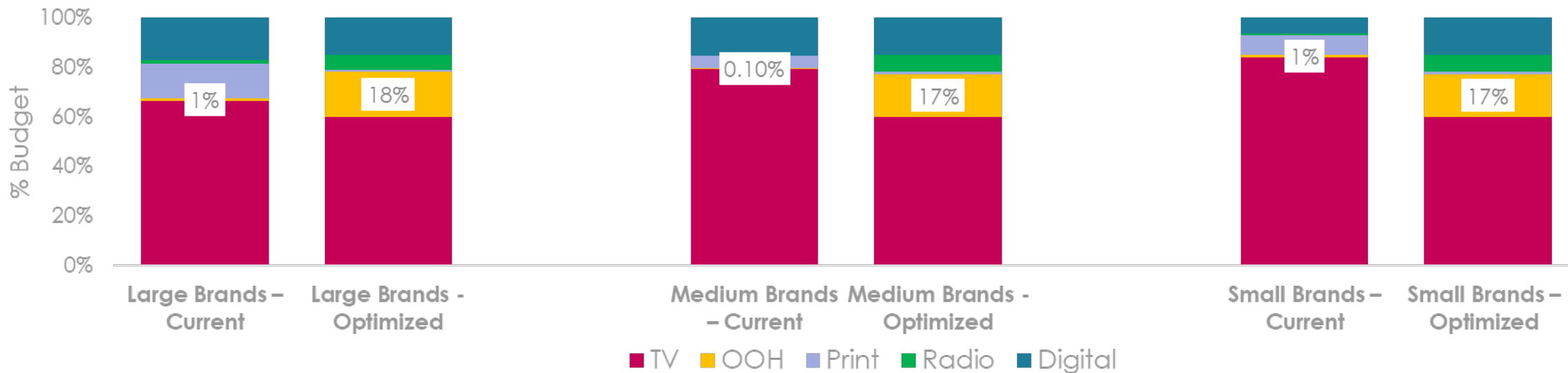
RROAS increases from **0.45** to **0.57**
+27% RROAS increase



CPG Food: Optimizing Sales RROAS for Small, Medium and Large brands

Optimization recommends incremental increases to OOH allocation for all brands regardless of size

Current vs Optimized Budget Allocation by Brand Size



Large Brands
 Spend range: \$30-\$94m
 Increase OOH from 1% up to 18%
26% improvement in RROAS

Medium Brands
 Spend range: \$13-\$29m
 Increase OOH from 0.10% up to 17%
32% improvement in RROAS

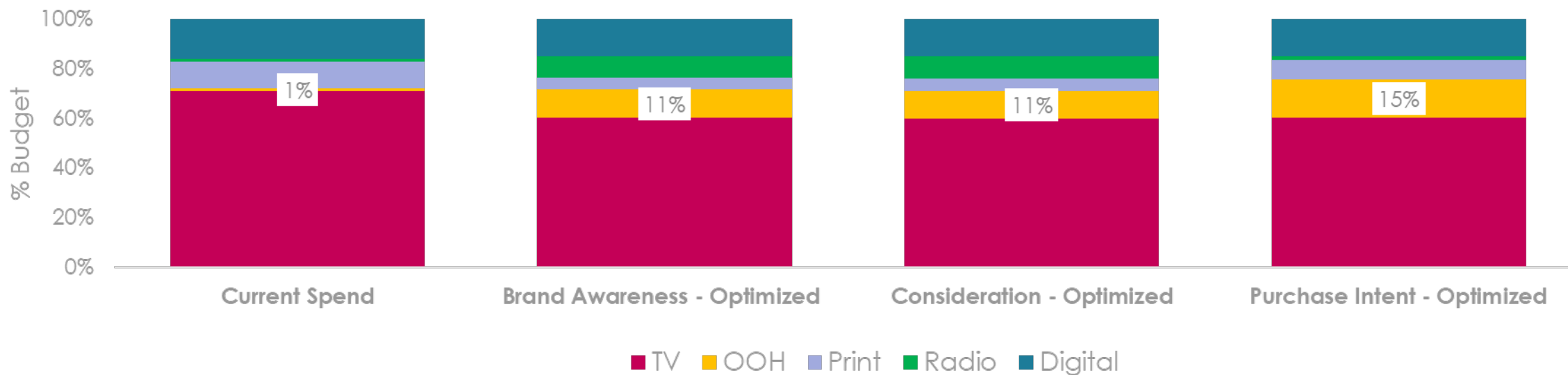
Small Brands
 Spend range: \$5-\$13m
 Increase OOH from 1% up to 17%
27% improvement in RROAS



CPG Food: Optimizing OOH% for Key Brand Metrics

Optimization recommends incremental increases to OOH allocation to improve brand metric scores

Current vs Optimized Budget Allocation by Brand Metric



Current
OOH 1%

Brand Awareness
Increase OOH from 1% up to 11%
17% improvement in ROAS (Brand awareness points per \$m)

Consideration
Increase OOH from 1% up to 11%
16% improvement in ROAS (Consideration points per \$m)

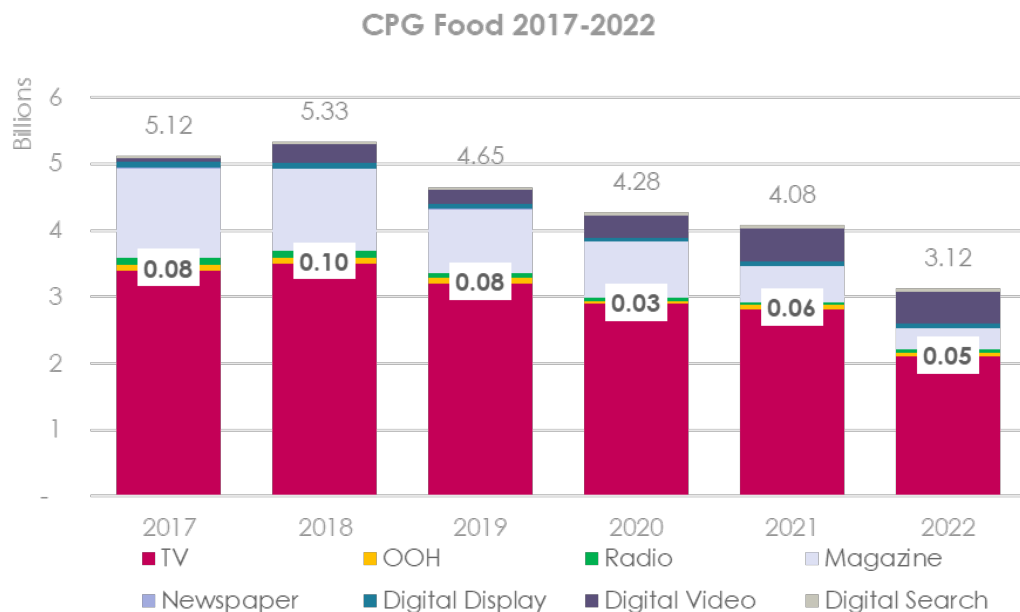
Purchase Intent
Increase OOH from 1% up to 15%
24% improvement in ROAS (Purchase Intent points per \$m)



CPG Food Category Summary

To optimize sales ROAS and brand metric ROAS, OOH allocations should be incrementally increased up to 11%

Vivix CPG Food spends, mix – current and trend



CPG Food best action for OOH (and where from)

	CPG – Current mix	Brand Awareness - Optimized	Consideration - Optimized	Purchase Intent - Optimized	Sales - Optimized
TV	71%	60%	60%	60%	60%
OOH	1%	11%	11%	15%	17%
Print	11%	5%	5%	8%	1%
Radio	1%	8%	9%	1%	6%
Digital	16%	15%	15%	15%	15%

OOH is currently only 1% of total spend for the average brand

The analysis recommends incremental increases to OOH of up to 11% - 17% to optimize sales and brand metrics

The increased allocation for OOH should come from TV, Print, and sometimes Radio

Appendix

The Benchmarking Modeling OOH Media Effectiveness analysis was sponsored by The Foundation for Outdoor Advertising Research and Education (FOARE), a 501 (c) (3) not for profit, charitable organization. Benchmarking is a UK-based strategic marketing effectiveness consultancy and part of the Omnicom Media Group.

Methodology: Optimizing Sales Revenue ROAS

Harnessing the power of multiple MMMs to create response curves which demonstrate RROA at different spend levels

1.) **Gather multiple brand MMM results** – combine to create average **response curves** by media channel for each category



2.) Use those **response curves** to estimate the impact (Revenue ROAS) for the 'average brand' spend by channel in a category



3.) Then, taking that same 'average brand spend' – run an optimisation using the curves, which **optimise** incorporating **diminishing returns** to give us an **optimal Revenue ROAS**

We have access to hundreds of brand MMMs (market mix models of sales vs media activity by channel). We have anonymised and aggregated results from USA brand MMMs to provide category level response curves

For each category we have created response curves by media channel. These response curves allow us to optimise investment across media channels, both theoretically and practically, applying realistic constraints as to the maximum usage of each channel

We can show the average and maximum spend levels generally achieved in the category to guide the safe zone for optimisation

Methodology: Optimizing Brand Metrics

Pooled modelling of key brand metrics to create response curves to run optimisations

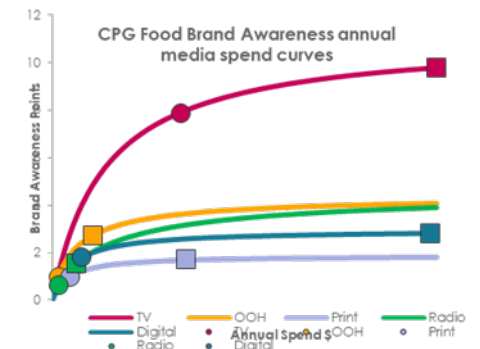
1.) Gather **data** by brand on **key brand metrics** (YouGov BrandIndex) and **media spends** by channel (Vivvix)

YouGov
BrandIndex

VIVVIX

2.) Create a **large dataset** to allow for '**pooled modelling**'. Data is collated for all brands available within a category. Data is monthly - over the period 2019-2022

3.) **Econometric models** are then built for each of three key brand metrics using the pooled dataset:
- **Brand Awareness, Consideration, Purchase Intent**



4.) **Response curves** are also reported by the models, and from those response curves we are able to **optimise total media spend** by **channel** for each of our three **key brand metrics**

OOH's Four Media Categories

SMI attributes OOH spends into these categories plus an 'Other' category
 (Other = spend that could not be definitively assigned to one of the four primary categories)

NUMBER OF OUT OF HOME DISPLAYS

BILLBOARDS	STREET FURNITURE	TRANSIT	PLACE-BASED
Bulletins 173,985 Digital Billboards 11,500 Posters 145,000 Junior Posters 19,000 Wall Murals 2,310	Bus Shelters 64,838 Urban Street Furniture 57,866 Bus Benches Bike Kiosks Newsstands Outdoor Kiosks Urban Panels Digital Street Furniture 10,815 Bus Shelters Newsstands Outdoor Kiosks Urban Panels	Airport 27,970 Digital Airport 3,150 Buses 1,354,842 Rail/Subway 356,773 Digital Rail/Subway/Transit 16,466 Mobile Billboards 4,515 Taxis 21,000 Digital Taxis/Rideshare 71,400 Vehicle Wraps 441,000	Arenas/Stadiums 1,338 Cinema 34,800 Digital Place-Based 750,000 Interior Exterior Printed 550,406 Gas Stations Convenience Stores Restaurants/Bars Medical Point of Care Office Buildings/Elevators Grocery Stores Shopping Malls 24,255 Digital Shopping Malls 12,507