

What is Outdoor Advertising and who does it reach?

Outdoor Advertising essentially encompasses all advertising that one encounters when you close your front door – from the outside, and includes the advertising seen from a car or taxi, in a bus or a train, on highways, supermarkets, sports grounds and airports, up, down, all around and even underground.

However, for the purpose of this article, we will be focusing on one of the oldest and most common forms of outdoor advertising mediums, billboards.

The earliest form of billboards dates back to ancient Babylonia and the Roman Empire, where on-premise signs were regarded as a license to do business. Since these times, the medium has evolved into a fully-fledged communications tool, forming part of our daily lives and providing advertisers with one of the most impactful opportunities to deliver their message to large audiences of all races. Furthermore, the medium provides local government and municipalities with important revenue generating streams, as well as the provision and maintenance of certain public services at no cost to local communities.

According to the October 2001 report published by the Advertising Index, the outdoor advertising industry accounts for 3.9% of total advertising spend in South Africa, which over the period November 2000 to October 2001 amounted to over R9.6 billion. At this level the value of the outdoor industry currently stands at around R374 million of reported adspend, while it is estimated that a further R75 million goes unreported each year. The popularity of outdoor may be reflected in the rampant growth that the medium is currently showing, with over 20% growth in outdoor advertising spend having been recorded over the period November 2000 to October 2001. Outdoor's current share of advertising spend in relation to other media is reflected here:

% Share of Media					
T.V.	Print	Radio	Outdoor	Cinema	Other
42.2%	39.2%	12.6%	3.9%	0.7%	1.4%
*Source: AdEx Oct 2001 Outdoor market size est: R374m Unreported spend: approx R75m Total estimated spend: approx R449m Estimated % share: 4.7%					

Outdoor advertising has been referred to as the 'last true broadcast medium', predominantly because of it's ability to reach large audiences across the entire LSM group spectrum. Sites are located throughout the country from deep rural on-store signage, to urban, metropolitan freeway Spectacular signs carrying enormous daily volumes of vehicular traffic. According to the latest All Media Product Survey (AMPS 2001A), 82,5% of the South African population have seen a billboard within the last four weeks at any one time of the year. Regionally, this figure is even higher, with over 90% of residents in each of the Johannesburg, Durban and Pretoria metropolitan areas having claimed to have seen a billboard in the last four weeks. This is illustrated below:

Billboards: Main Metro Markets				
National	Cape Town	Durban	Johannesburg	Pretoria
82.5%	84.0%	92.6%	92.7%	92.3%
*Source: AMPS 2001A				

Although outdoor advertising provides extensive coverage on a national basis, reaching those markets that are difficult to reach with other more traditional media types, it's effects are highest amongst LSM groups 5 & 6, an extremely influential and the largest sector of our population. Outdoor's reach of the various LSM groups is as follows:

Billboard Exposure: Last 4 weeks									
LSM 1	LSM 2	LSM 3	LSM 4	LSM 5	LSM 6	LSM 7	LSM 8	LSM 9	LSM 10
70%	73%	83%	88%	88%	88%	86%	85%	86%	88%
*Source: AMPS 2001A									

Whilst outdoor's potential as a reach medium is clearly illustrated above, it also has the ability to reach niche markets and can be used tactically with high levels of targetability. For example, airport sites communicating directly with a captive, affluent target market, while bus shelters may be targeted down to street level reaching niche audiences such as the youth & pester power markets at schools and tertiary education institutions.

Love them or loath them, billboards are big business, having proven their worth over the last 100 years or more as a highly effective advertising medium. In all likelihood, outdoor advertising will survive the next 100 years as well, and will retain it's stature as the last true broadcast medium.

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