



The Ambient/Digital ooh Advertising Market 2010

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Ambient Adspend 2010

The Ambient Adspend report is compiled and produced by AmbientPlus (part of The PML Group.) The figures are compiled using our exclusive Posterwatch service and is supplemented by information supplied by media owners operating in the Ambient advertising market. All figures are based on actual display values using rate card costs.

Ambient Media Stands Its Ground

The Ambient Advertising market performed well in 2010. End of year figures compiled by AmbientPlus value the market at €28.4m. 2010 spends were on a par with 2009.

Ambient media is defined as non-traditional out of home media. It is a highly targeted form of advertising and covers a wide range of formats including phone kiosks, building banners, outdoor projections, in-pub advertising, eco cabs etc.

There is no denying that the current advertising market is challenging however the ambient sector has stood its ground. Historically in recessionary times, ambient would have been the first casualty when budgets needed to be cut. Times and thinking have changed and the importance of this form of advertising is now recognised by the market.

With increasing pressure to ensure that reduced media budgets are working hard, advertisers are happy to include ambient media within their overall plans. Often times, ambient media is highly targeted with very little wastage and ambient stunts and innovation can create and deliver a great deal of “earned media” for clients.

Many ambient media owners are now investing in research which is proving very attractive, especially in the Point of Sale sector.

Ambient & Digital Advertising: The Numbers

The total Adspend for the year at rate card was €28.4m. This figure is arrived at using display value figures based on approximately 60 different ambient advertising formats.

The top ten categories are as follows:

Sector	Display Value	% of Total Adspend
Beers & Ciders	€4,859,034	17%
Telecoms	€3,567,815	13%
Food	€2,840,888	10%
Tourism & Travel	€1,799,331	6%
Soft Drinks	€1,760,092	6%
Retail Outlets	€1,547,021	5%
Finance	€1,540,226	5%
Health & Hygiene	€1,443,937	5%
Political & Advisory	€ 968,723	3%
Films	€ 892,660	3%

There are few surprises in these figures, however it should be noted that products and services from a wide array of industries are all using ambient media to a greater or lesser extent.

The top 10 sectors represent nearly three quarters of the overall ambient spend for the year with the top three sectors representing 40 per cent of the spend.

In terms of spend, Beers and Ciders have emerged as the top sector. It is fair to say that this sector has had a tough year, however advertisers have responded to the challenges. Investment in ambient media has been key in sponsorship of sporting events, in particular rugby and GAA. This, coupled with events like Arthur's Day and various music event sponsorships, has taken the Beers & Ciders sector to the top of the spending table.



Standing out from the Crowd: Bulmers Adtower

As a sector Beers and Ciders tend to favour ambient media formats such as mobile media, projections and in-bar formats such as i-sites, focal media points and washroom panels.

Telecoms recorded a total display value of just over €3.5m. Ambient media is an ideal medium for this sector with an audience that tends to be young and very mobile. It is a very competitive market and ambient media is utilised to communicate short and long term price offers and phone promotions.

Telecoms tend to favour point of sale formats such as Citybox, in-bar formats and cinema based advertising to name but a few. Advertisers are also heavily dependent

on new technologies and ambient innovations and digital offerings usually feature in their campaigns.

The food sector is ranked third in terms of display value with 10% of total spend allocated to it. 2010 was a tough year for the FMCG category as a whole and with close attention being paid to the household shop, producers have had to fight hard to promote their product above others.

An array of ambient media formats cater very well for the food sector with popular formats including trolley handles, Citybox and Store Points.

Generally speaking, spends are understandably down in the finance sector given everything that has happened over the last year. The film category has decreased slightly, again this is linked to tighter budgets and fewer blockbuster movies hitting the screens.

Public information campaigns such as the 'Drink Responsibly' initiative by MEAS and road safety messages from the RSA continue to feature strongly in the ambient arena.



Call to Action: MiWadi on Trolley Handles



Brand Dominance: Kerry EasiSingles on Store Points

Ambient Advertising: The Brands

Looking at the top 10 brands on ambient in 2010, it is clear that ambient formats are an important element on the media plans of mainstream out of home advertisers. Brands such as Vodafone, Guinness, O2, and Nestlé cereals feature prominently on ambient in 2010 as well as on traditional out of home formats. The Guinness Arthur's Day campaign was a great example of traditional and ambient formats working together to create a campaign with real stand out.

Brand	Display Value
Vodafone	€1,568,577
Coors Light	€1,128,636
Guinness	€ 939,570
Heineken	€ 797,371
Ulster Bank	€ 544,724
Beamish Stout	€ 496,500
O2	€ 474,642
eircom	€ 378,130
Nestlé Cereals	€ 354,200
Jägermeister	€ 334,270



Illuminating: Guinness 'Arthur's Day' Liffey Spheres

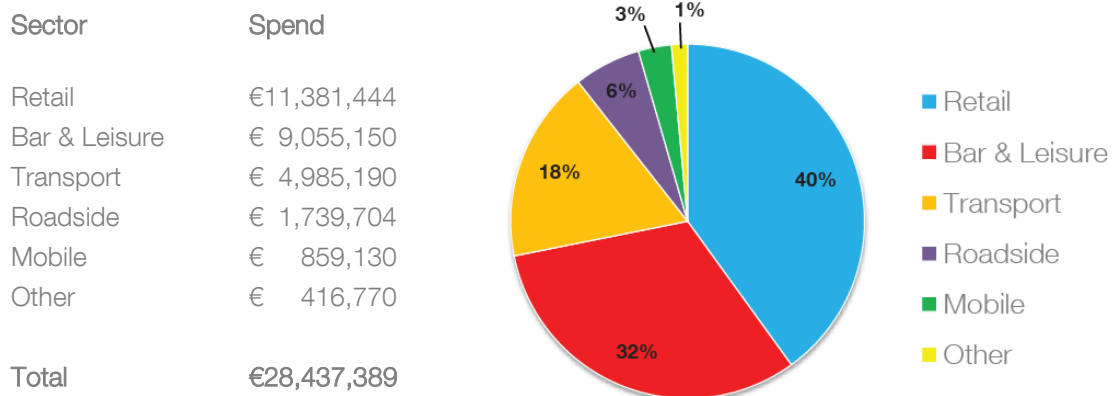


Moving Message: Guinness 'Arthur's Day' Admobile

Adspend by Environment

It is insightful to see how ambient media is used by advertisers and how it connects with consumers throughout their daily routines.

The categories, below, show how and where ambient media is consumed by its audience.



As can be seen the biggest category is Retail. Essentially this is Point of Sale advertising. Its aim is to communicate with the audience as they end their journey on the path to purchase. Ambient advertising is used as a sales driver. Examples would include branded shopping baskets and floor graphics in supermarkets and digital screens in convenience stores.

The Bar and Leisure Category is the second largest category, with 32% of the total spend. Socialising forms a big part of our daily lives. Ambient media owners have been quick to recognise this and as such there are a large number of media vehicles that interact with consumers as they enjoy their leisure time. Examples include certain in-bar media formats, cinema advertising, gym advertising and advertising at various musical and sporting events.



Social media: Captain Morgan on Washroom Panels

Advertising to those in transit from one location to another is the third category, with 18% of spend. The majority of this would comprise of advertising at the airports nationwide, together with other transport hubs.

Advertising in high footfall on-street locations is often the brief mandated by clients and ambient media formats achieve this successfully. Large building banners such as the recent Newstalk banner and formats such as phone kiosks and branded store fronts respond to this need in the market.

Mobile media in its various formats e.g. mobile 48 sheets and 6 sheet units, in combination with more recent digital versions, have an important role to play and certainly contribute to the on-going success of the category.

Ambient and the Digital Age

Ambient advertising is by its very nature ever changing and very quick to react and embrace innovation and new technologies.

Digital advertising is growing rapidly in Europe and beyond. It is the speed at which campaigns can be broadcast into the out of home environment, coupled with movement and vibrant colours which digital can deliver, that underpins this growth.

Digital in Ireland is in its infancy but we believe that as a category it is going to grow in popularity and importance rapidly.



New Horizons: The Irish Daily Star on C Store Screens

As it currently stands digital accounts for just under €2m, or 6%, of total Ambient Adspend.

With technology costs falling, creative expertise in digital content increasing and media owner investment in digital networks growing, the future for digital ooh in Ireland is bright.

The ambient sector is currently providing a fertile test ground for digital advertising, with many advertisers using and experimenting with digital formats. Admobiles, interactive shop fronts and various video projections, together with newly emerging digital networks such as Digital at the Square (CBS), Transvision at Train Stations (Bravo) and C Store Screen (Visualise) are already on offer to the Irish market with more to follow in 2011.



Captivating: Cadbury Flake use Digital at The Square

Just in the last fortnight CBS Outdoor has signed an agreement with Dundrum Town Centre that will see specially designed pods containing high definition LCD screens installed in the country's biggest shopping mall.

Impressive case studies from abroad and a desire to move ooh into the digital age means that this category is very likely to grow exponentially in the coming years.



Digital Future: Dundrum Town Centre LCD Pods

And the year ahead...

Forecasting the future in these very unusual times is an extremely difficult task. There are however some trends emerging.

Ambient Media as a sector remains strong and relevant to advertisers. It will continue to develop and evolve in line with advertisers needs. The various media offerings will continue to change and adapt to the ever changing habits of consumers.

Ambient media was previously bought based on either gut feeling that it was right for a brand or service or using a common sense approach e.g. advertising health products in gyms or beer in pubs. This is changing as many media owners and AmbientPlus invest in badly needed research into these formats.

To date the results have validated many of our “gut feelings”. Research results give ambient advertising the currency that is needed. Of particular note is the trend towards electronic point of sale (EPOS) or sales uplift data being supplied in a point of sale context.

Ambient media continues to deliver very targeted advertising campaigns with minimal wastage. The benefits of multi-format advertising campaigns have been well documented and ambient media will continue to play a vital role in the overall media mix.

Ironically the recession has boosted the entrepreneurial streak in many of us. AmbientPlus continue to meet with new start-ups and those with new and exciting ideas for advertising formats. Many of these new ideas will eventually translate into successful media offerings.

The need for “stand out” has resulted in many advertisers looking to create new and innovative advertising media opportunities. Often times it is the clever ambient idea that helps them achieve this goal.

Consumer participation, engagement and earned media are the latest buzz words in advertising. Advertisers want consumers to have a memorable and meaningful experience with their brand and hopefully share this experience with others. Examples from 2010 include the Fig Rolls Taste Bud campaign and the Cadbury Dairy Milk POP Up Shop (chocolate factory).

The Taste Buds were unleashed onto our street to mingle and “play” with the public, while Cadburys created their own mini walk in chocolate factories in each of the main cities where the public were invited in to see and taste the Dairy Milk product. This type of activity will grow in importance in 2011.



Targeted innovation: The A-Team Smart Cars



Engagement: Cadbury Dairy Milk POP Up Shop

Point of sale as a category will remain strong as the FMCG brands fight for market share and battle to be included on the elusive consumer shopping list.

2011 is packed with a lot of exciting events which will hopefully boost the Ambient Sector. Events such as the Rugby World Cup and various high profile concerts at the new Grand Canal Theatre and the revamped O2 together with various cultural events will provide advertisers with good opportunities to communicate with consumers.

Finally digital advertising will continue to grow and increase in importance in 2011 with many media owners set to launch new digital offerings throughout the year.

2011 will be a challenging year. The sector is predicted to grow modestly in the year ahead with advertisers being forced to critically evaluate their media choices. A great deal more consumer insight, coupled with innovative thinking, will be required to create relevant and successful advertising campaigns. We believe ambient media will be a key part of this solution for advertisers in 2011.

For further details please contact Pat Cassidy, AmbientPlus Manager on 01 668 2900.

To view the range of Ambient & Digital options available and to see the latest ambient news visit www.ambientplus.ie