

Programmatic DOOH 2022

Global white paper



State of the Nation

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In June 2022, VIOOH partnered with MTM to survey 1,000 agency and advertising executives across the US, UK, Germany, France and Australia on their perceptions of programmatic digital out of home (DOOH), their approaches to planning and buying, comparisons to other media, and the future of programmatic DOOH.

Growth in programmatic DOOH over the last 12 months has been driven, in part, by a widespread preference for agility in campaign strategy and execution as a result of the COVID-19 pandemic.

Recognising that buying OOH programmatically enables flexibility to respond to changing consumer behaviour and contexts, demand for programmatic DOOH has increased from advertisers across all sectors, with media executives reporting increases in both the number of advertisers investing in the channel, and the amount of budget invested.

Once again, media executives identify the ability to employ a wealth of different data sources to target consumers at a granular level as a key driver in the growth of programmatic DOOH. Many are excited about the prospect of overlaying real-time audience data to target consumers and optimise campaigns and believe that the ability to do this across campaigns will prompt further growth in the channel.

Mirroring sentiments shared in last year's report, media executives have affirmed the value of programmatic DOOH's hybridity as both a broadcast and a direct response channel, using it to drive results in both performance and brand focused campaigns. Furthermore, media executives note that dynamic creative is enhancing both brand and performance campaigns by enabling advertisers to engage with audiences in creative and meaningful ways.

Opting for an omni-channel approach to planning and buying campaigns is now standard practice for many. As such, programmatic DOOH is frequently bought alongside other channels, with social media, digital video and digital audio the most popular channels to pair it with, according to media executives.

Within this context, media executives have pointed to the importance of robust, unified measurement solutions in articulating the value of programmatic DOOH, and isolating its effect within multi-channel campaigns. Similarly, the provision of case studies with clear, measurable outcomes will help advertisers communicate the benefits of programmatic DOOH to clients and colleagues.

Despite challenges, demand is expected to continue to grow over the next 12 months, with more campaigns expected to include programmatic DOOH and media executives planning to increase investment. Moving forward, executives plan to continue investing in in-house programmatic DOOH expertise, focusing on upskilling and educating programmatic, OOH and cross-channel planning desks to increase programmatic DOOH's presence on plans.

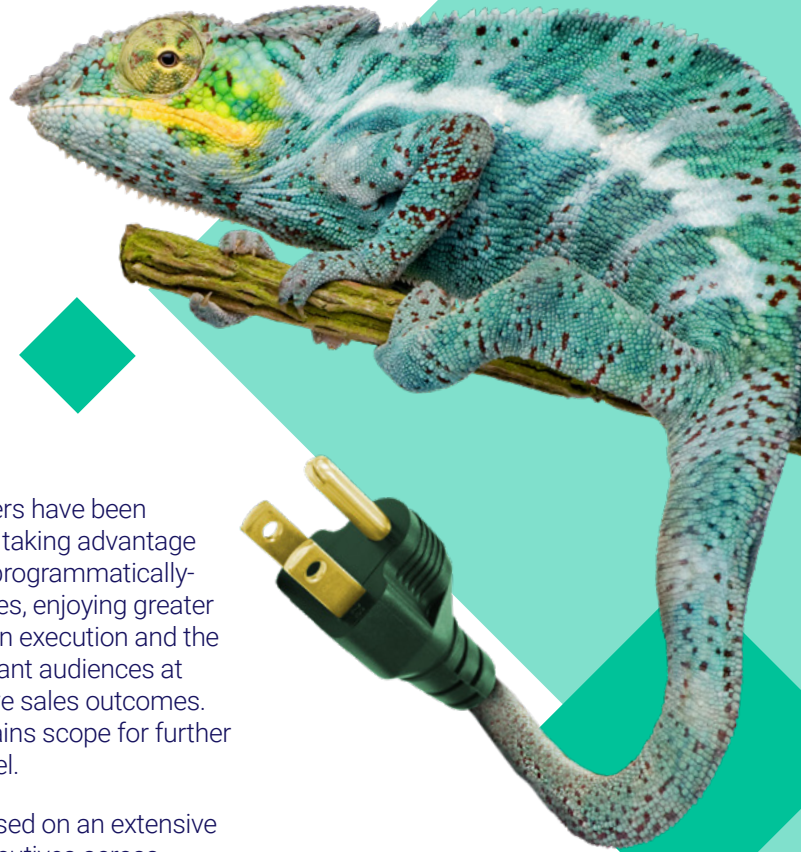
Introduction

Programmatic digital out-of-home (programmatic DOOH) has caused quite a splash in the world of out-of-home advertising. Whilst the advent of programmatic buying (technology-enabled automated transactions of ad inventory) within digital advertising dates back a couple of decades, the technological capabilities of programmatic that enables advertisers to scale and precisely target specific audiences, and optimise campaigns in real-time, were only extended to out-of-home in more recent years.

Since then, advertisers have been increasingly open to taking advantage of the benefits that programmatically-enabled OOH provides, enjoying greater flexibility in campaign execution and the ability to target relevant audiences at key moments to drive sales outcomes. However, there remains scope for further growth in the channel.

This white paper, based on an extensive survey of media executives across five of the largest markets globally, discusses some of the big questions for programmatic DOOH for today and in the future: How comfortable – and knowledgeable – are digital and OOH media professionals on programmatic DOOH and its benefits? How will investment levels change for this channel in the future? What barriers need to be overcome to facilitate further adoption and growth?

VIOOH partnered with MTM to survey 1000 media executives from media agencies and brands across the UK, USA, Germany, France and Australia to understand the industry's perceptions of programmatic DOOH, and how it contributes to omni-channel strategies. This multi-market approach, gathering opinions from across the industry, provides an unparalleled perspective at global and local levels to understand the State of the Nation of programmatic DOOH.



Programmatic DOOH: Distinctly unique

Whilst programmatic DOOH is closely related to direct or automated DOOH, there are several key points of difference that separate the two.

Direct DOOH is pre-planned, and bought in advance of activation via media owners, agencies, and OOH specialists. When a direct DOOH campaign is bought, a time frame for the campaign is agreed and set, and specific days and times to display the nominated creative are outlined. Media owner, first party client or agency data is employed to define and target desired audiences, and advertisers and agencies work with the OOH media owner directly to manually align their DOOH audiences and activity with other digital channels on the plan. Following the conclusion of a DOOH campaign, brands and agencies can look at the impact on their branding and sales metrics, as well as measuring footfall.

Conversely, programmatic DOOH inventory is bought in real-time or near real-time through demand side platforms (DSPs) that facilitate ad exchanges via private marketplaces (PMPs) or Open Exchanges using open real-time bidding (RTB). Unlike DOOH, programmatic DOOH does not require upfront commitments or predefined schedules, enabling advertisers to buy inventory in real-time, and optimise campaigns in-flight. Brands and agencies can use a range of data sources, including third party data, to inform activation and targeting of campaigns, and a single buy-side platform (DSP) for multiple digital channels enables automated targeting and optimisation across touchpoints with minimal wastage.

Furthermore, trigger-based targeting and activation allows brands to ensure maximum relevance of creative, by optimising for triggers which are contextual (location, weather, time, presence of audience) and/or non-contextual (promotions, sales data, major events). Additionally, advertisers don't have to sit and wait to review the campaign performance. Near real-time reporting permits advertisers to observe which locations are performing the best or worst, and optimise their campaign by moving spend to locations that are performing well.





Current adoption of programmatic DOOH

Appetite and demand for buying digital OOH programmatically has markedly increased over the last few years. It's no secret that the technical capabilities of the channel have evolved significantly since its inception. Today, advertisers can overlay a wealth of data sources to target audiences with laser precision. This, coupled with the flexibility that programmatic digital OOH offers to optimise campaigns in-flight, has afforded advertisers greater opportunities to access relevant audiences in the right place and at the right time.

As outlined in our previous State of the Nation reports, the COVID pandemic that characterised 2020 and 2021 prompted an uptick in adoption of programmatic DOOH. Major shifts in audience behaviour forced advertisers to re-evaluate campaign execution strategies, ditching set-in-stone pre-bought campaigns in favour of more flexible means of activation (e.g. programmatic activation).



“The thing that’s really fuelled programmatic DOOH in the last few years is the COVID pandemic, and I think a lot of clients all of a sudden are more interested in programmatic purely for its flexibility. For example, if acquisitions are down, they can just adjust accordingly”

Martin Porter
Head of OOH, Dentsu US

“After the COVID period, clients understand that they need to switch to a digital model”

Kaoutar Benazzi
Chief Programmatic Officer, Havas France

“Awareness has certainly grown over the last few years. I think all parts of the ecosystem took time over the pandemic to reflect and put more thought into what they wanted their executions to look like in the future”

Alys Donnelly
Head of Programmatic, Kinetic UK

“It’s been a boom time for programmatic. The pandemic precipitated a change in behavior that pushed forward advertisers plans to incorporate it into always-on activity or at the least, to test programmatic activation. Many observed the efficacy and efficiency that programmatic enables, as well as its ability to build frequency. These are the benefits to the way that all other media is bought, for the most part, so it makes sense to extend those same benefits to OOH”

Adrian Witter
Programmatic OOH & Partnerships Lead, Kinetic US

51%

**IN THE LAST 18 MONTHS,
OVER HALF OF CAMPAIGNS
HAVE INCLUDED
PROGRAMMATIC DOOH**

Whilst the day-to-day effects of the pandemic are largely over, advertisers have become accustomed to agility in campaign strategy and execution, and greatly value the ability that programmatic buying affords to quickly respond to changing consumer behaviour and reach audiences where they are. **In the last 18 months, over half (51%) of campaigns (+4% pts vs. 2021) have included programmatic DOOH.**



“There has been a real shift from guaranteed bookings to more flexible non-guaranteed deals. Clients are prioritising flexibility in planning”

Kim Ringler
Director of Data Solutions, areasolutions, Germany



We are getting more and more clients that never did out-of-home before

In addition, low barriers to entry (relative to its traditional counterpart) means that a significant number of advertisers who have not previously spent on OOH are now taking a test-and-learn approach with programmatic DOOH, reaping the benefits of its hybrid broadcast/digital nature (i.e., public-facing screens with the flexibility and granularity of digital).



“Programmatic DOOH is certainly higher on the agenda this year for all stakeholders. Clients that have historically invested in a programmatic, data-led approach across other channels are ready to understand the capabilities”

James Trott
Head of Product, Matterkind UK (IPG)

“We are getting more and more interest from clients that have never done out-of-home before, because a) we can measure the same way as we do in digital in terms of audiences and b) buying from DSPs means we can offer more granularity with reporting. Low barriers to entry always open up a lot of opportunities, for clients that want to test and learn”

James Lambert
Head of Sightline, GroupM Australia

“The inventory available for programmatic DOOH has increased significantly due to a large number of new displays going up. In addition, there’s been an increase in customer interest, and even acceptance of indoor DOOH screens, which has allowed us to activate additional reach. Overall, this enables us to build relevant reach all over the country, not only in the big cities with DOOH”

Learco Oestereich
Group Manager DOOH, areasolutions, Germany



Interest in programmatic DOOH is coming from advertisers across all sectors, although it is particularly popular in sectors where contextual or location-based messaging is most relevant (e.g. auto, FMCG/CPG, retail, tourism).

Every brand has a specific audience, and we can get in front of that audience in the right way



“Every year we are seeing more clients buy DOOH programmatically. Where we see programmatic digital OOH used the most is with telecoms and tech brands because they are often looking to acquire new users and need to build frequency. It’s also popular with FMCG/CPG, retail and sports betting clients for similar reasons”

Martin Porter
Head of OOH, Dentsu US

“Programmatic DOOH is a really fast-growing channel...and we see that all sectors are interested in it. For example tourism, with DOOH we can show strong images of destinations. Also for banking, health and insurance sectors, they need to showcase their brand and have a strong image, and DOOH is great for that”

Laurent Ferreira
Chief Publicity Officer, Groupe Sud Ouest, France

“We are seeing a lot of interest from retail, whether that be FMCG or Apparel, High Street or Supermarket – the targeting and measurement capabilities combined with dynamic creative messaging make for compelling campaigns”

James Trott
Head of Product, Matterkind UK (IPG)

“We’ve not found a brand, or sector or vertical that this approach doesn’t work for. Every brand has a specific audience, and we can get in front of that audience in a more flexible way than ever before”

Alys Donnelly
Head of Programmatic, Kinetic UK

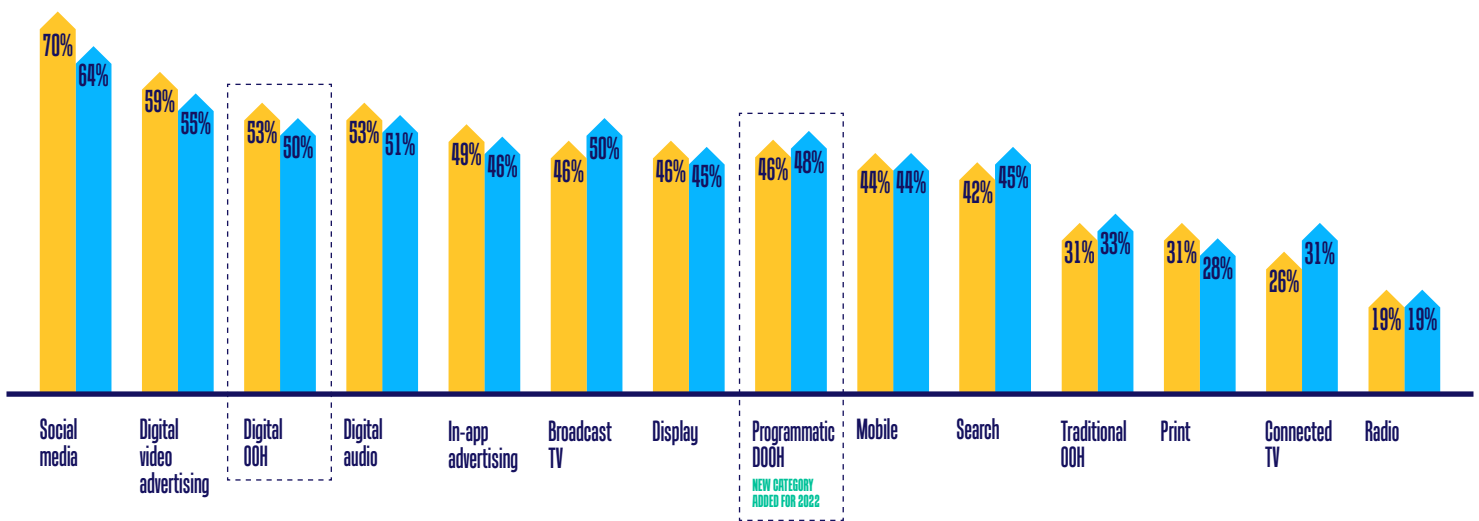
Demand is expected to continue to grow over the next 12 months. When we asked media professionals about which media they are intending to place/plan or buy in the coming year, programmatic DOOH was one of the few media types selected where executives believe they are likely to increase investment. **46% said they have planned, bought or placed DOOH programmatically in the last 12 months, and this is set to increase to 48% in the next year.**

Which of the following media have you planned, placed or bought in the last 12 months? / Which of the following media are you intending to plan, place or buy in the next 12 months?

NR. In previous iterations of this report, we asked only about DOOH in general, but this year we have asked media professionals about programmatic DOOH specifically.



Intending to buy, plan, place in next 12 months (Blue bar) **Have planned, bought or placed in past 12 months** (Yellow bar)



Notes: Considering all media types we selected less than in 2021, we recommend focussing only on 2022 data and that PDOOH show growth opportunity in next 12 months while other media types show stability or likely decrease in investments
 1) Social media includes Facebook, Instagram, Twitter etc. 2) Digital audio includes streaming audio, streaming and podcasts 3) Search includes pay-per-click 4) Display excludes social media 5) Mobile excludes in-app advertising 6) Broadcast TV excludes TV advertising served via the internet
 Source: A8. Which of the following media have you planned, bought or placed in the last 12 months? A9. Which of the following media are you planning to, or open to advertising for in the next 12 months?
 Base size all respondents (1023)



“It’s a great opportunity for clients to spend in OOH for the first time, or for lapsed spenders to reinvest in OOH. The tech capabilities of programmatic DOOH, relatively low entry investment, ability to pivot quickly and being more data and audience led are strong draws for clients”

James Lambert
Head of Sightline, GroupM Australia

“As brands are learning more about the programmatic DOOH world and the benefits that it can bring, we are seeing them embrace being able to get in front of more specific audiences that add greater value to them. We are also seeing brands take advantage of the flexibility, agility and creative opportunities that programmatic provides. I see it as something that has evolved a lot over the last few years and is going to keep evolving for some time to come”

Alys Donnelly
Head of Programmatic, Kinetic UK

Whilst some advertisers are converting existing traditional and DOOH budgets to buy programmatic DOOH, there is also significant growth coming from new budgets, and from other digital and traditional channels. **37% of media professionals say they have added new budgets to programmatic DOOH, and 21% have moved budget from other digital and traditional channels.**

If budget is going to be increased for programmatic digital out-of-home, where is this budget being moved from?

2

52% TRADITIONAL OOH

37% NEW BUDGET ADDED

21% OTHER DIGITAL CHANNELS

21% OTHER TRADITIONAL CHANNELS



Notes: Source C4.1 If Budget is going to be increasing for programmatic digital out-of-home, where is this budget being moved from?
Base size: all increasing PDOOH or DOOH (938); agency (464); advertiser (474)

Brands are learning more about the programmatic world and the benefits that that brings



Drivers of programmatic DOOH adoption

Programmatic DOOH delivers a range of benefits for advertisers.

Buying DOOH programmatically adds a layer of agility to campaigns that cannot be delivered through traditional OOH.

For example, advertisers can reduce wastage and maximise campaign effectiveness by harnessing trigger-based buying to quickly react to what is happening in the outside world in real-time. Furthermore, the ability to trigger or target based on contextual data (e.g. weather, location, demographic of people who live/work nearby) provides brands with certainty that their messaging will have maximum contextual relevance to deliver results.



“There are three main advantages: the first is the dynamic aspect of it [pivot quickly], second aspect is about targeting and data use, it’s very effective, we can surgically target different regions, the third is the ability to deliver a message dynamically in real time. We are also able to use films and animations that bring in the audience and really engage them”

Laurent Ferreira
Chief Publicity Officer, Groupe Sud Ouest, France

“First of all, programmatic provides you with flexibility in planning, you have the ability to use data to determine location and volume of displays. We can also use data to target specific segments more precisely in terms of time but also location. Furthermore, the ability to link programmatic OOH with different media types and apply a coordinated approach, with uniform targeting and optimisation based on the customer journey is a great advantage”

Learco Oestereich
Group Manager DOOH, areasolutions, Germany

“Buying programmatically enables buyers to utilize resources such as weather or sales data whilst enabling a level of autonomy unavailable when buying direct. Given the huge scale of the US market, very very few advertisers exist who have budget to cover the whole country, if buying direct with such dynamic data overlays. Programmatic alleviates that issue, allowing buyers to activate campaigns off local data points – when there is sufficient stock at retail partner locations and when weather conditions reach a certain threshold – at national scale. Programmatic OOH has clearly carved out a use case of where and how it’s effective that is being further enhanced by the ability to effectively contribute and measure impact on sales”

Adrian Witter
Programmatic OOH & Partnerships Lead, Kinetic US



“The opportunity for programmatic OOH in the US is bigger than in any other market because of the diversity of media owners and media formats available at scale nationwide. Programmatic can simplify buying while enabling advertisers to prove out the value via attribution”

Adrian Witter,
Programmatic OOH & Partnerships Lead, Kinetic US

“We can match our panel data with mobile phone location data and then build out a heat map based on postcode data. We can see where that audience is at its highest density and buy any inventory that falls into that geographical area”

Martin Porter,
Head of OOH, Dentsu US

“Leveraging our own proprietary data stack within IPG, Acxiom, or partners in the data landscape allow for the creation of custom and high-value audiences for clients. Mapping these audiences across the DOOH landscape allows for precision and efficient use of budget”

James Trott,
Head of Product, Matterkind UK (IPG)

“We use a whole host of data sources to really drill down into the specific audience that the client is interested in. This data ranges from first party data to purchase data to attitudinal data to online behaviour and offline behaviour. We can also use data as triggers for delivery rather than audience building, such as breaking news, sports scores, traffic levels, pollution levels, weather and temperature levels”

Alys Donnelly,
Head of Programmatic, Kinetic UK

“The targeting and data solutions available for programmatic DOOH has developed a lot, we can now offer cross-media targeting”

Kim Ringler,
Director Data Solutions, areasolutions, Germany

More broadly, the ability to overlay a variety of different data sources to inform activation (e.g. contextual data, mobile data, audience data, sales data, availability of merchandise stock) enables programmatic DOOH to target consumers at a hyper-granular level. Advertisers recognise this as a key driver in the growth of programmatic DOOH, with almost **a third of executives selecting precision targeting (28%) as the primary reason for increasing spend in programmatic DOOH over the next 18 months.**

Finally, advertisers greatly value the duality of programmatic DOOH to be both a broadcast and a direct response channel, as required. 28% of executives believe that this hybridity will be one of the key reasons that spend increases in the channel over the next 18 months.

You mentioned that you were looking to increase spend for the following in the next 18 months, what are the main reasons for this growth?

3

28%

It becomes a broadcast and direct response channel

28%

Precision, eg. targeting certain frames, locations, audiences, performance metrics or using triggers

27%

Further value from the efficiency and effectiveness of transactions

27%

Great context for advertisers

26%

It aligns easily with other programmatic channels



“DOOH elevates the programmatic offer as a trusted media which delivers impressions of a high quality in the physical world”

Leia Reuter
Managing Partner OOH, Dentsu UK

“The big advantage of DOOH is the reach you can achieve, without adblockers or ad fraud. With DOOH we can reach advertising-averse target groups in public spaces. We can also reach drivers, who cannot be reached online or via mobile when they are driving. Its large format makes it an impactful form of advertising media, generating ‘big moments’ which is an important component in the customer journey”

Kim Ringler
Director Data Solutions, areasolutions, Germany

“Flexibility, speed, agility, optimisation, and more measurable outcomes. It’s easier to solve business challenges because we can integrate with an omni-channel approach”

James Lambert
Head of Sightline, GroupM Australia

Notes Precision means targeting certain frames, locations, audiences, performance metrics or using triggers
Source: C4. You mentioned that you were looking to increase spend for the following in the next 18 months, what are the main reasons for this growth?
Base size: all who place PDOOH (1023)



“Flexibility and agility within the buy are often referenced as benefits of this route to market. Being able to upweight or downweight according to a live dataset such as footfall or stock for example, or even pause and reactivate a campaign entirely”

James Trott
Head of Product, Matterkind UK (IPG)

“You can activate a campaign last minute and optimise or put it on standby, this is something we do frequently. With programmatic DOOH you can target only the screens that you want and in the time that you want. You have the agility and flexibility to make decisions quite quickly”

Kaoutar Benazzi
Chief Programmatic Officer, Havas France

“We see significant uplifts in footfall and brand metrics as well as sales uplift. Programmatic OOH can drive all these areas as well as providing specific programmatic benefits around flexibility, agility, and the application of granular data”

Alys Donnelly
Head of Programmatic, Kinetic UK

“You can be more flexible in aligning programmatic OOH to your strategic goals, compared with classic bookings. With data on relevant target group segments, you can scale audiences and build up high local and national reach. You can also achieve greater relevance through contextually relevant messaging and messaging specific to a certain location. Programmatic is indispensable if you want to exploit these opportunities”

Learco Oestereich
Group Manager DOOH, areasolutions, Germany

“I have rarely heard anyone rave about a mobile banner ad. OOH consistently performs well for driving attention, interest and desire but research and better attribution methods show it’s increasingly effective at driving action”

Adrian Witter
Programmatic OOH & Partnerships Lead, Kinetic US

Moreover, advancements in the technical capabilities of programmatic DOOH continue to deliver new and innovative opportunities for advertisers to reach and engage with audiences. For example, advertisers are taking advantage of the ability to use dynamic creative (e.g. 3-D, video, etc.) to deliver relevant messages in real-time and engage with audiences in creative and meaningful ways.

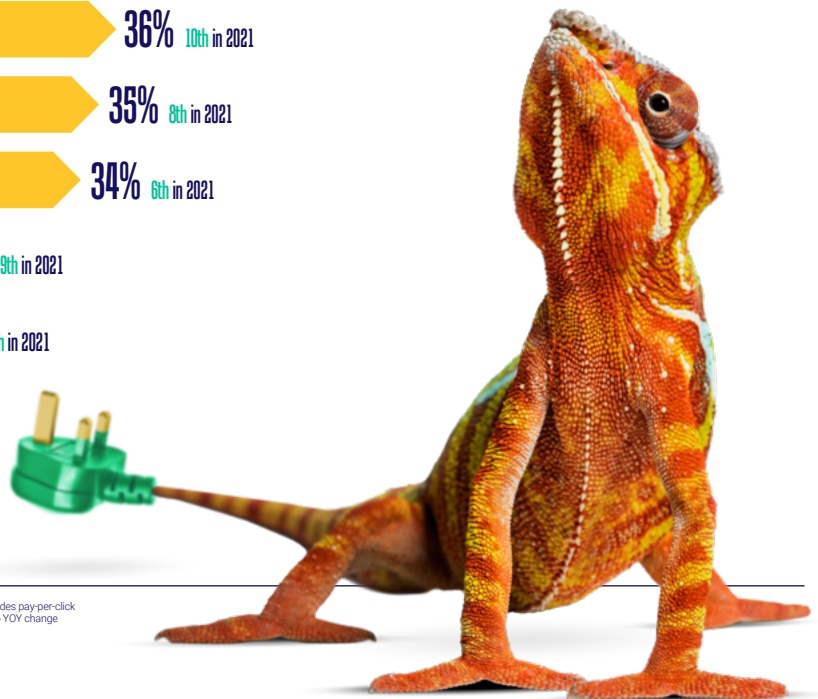
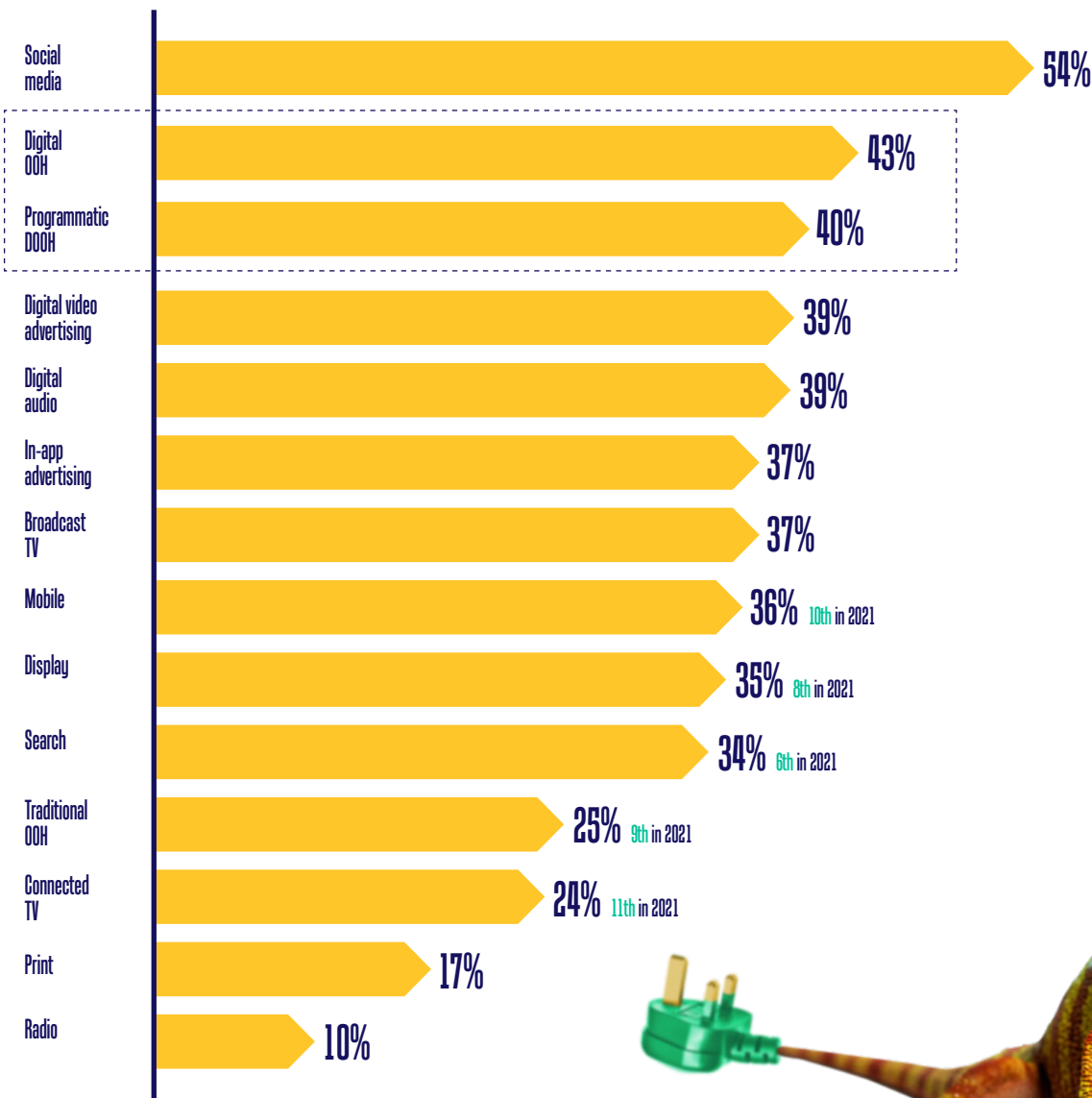
As a result, it's no surprise that executives continue to select DOOH (43%) and programmatic DOOH (40%) as two of the top three media types developing the most innovative opportunities for advertisers.

You have the agility and flexibility to make decisions quite quickly

4

Which of these media are developing the most innovative opportunities for advertisers?

NB. In previous iterations of this report, we asked only about DOOH in general, but this year we have asked media professionals about programmatic DOOH specifically.



Notes: 1) Social media includes Facebook, Instagram, Twitter etc. 2) Digital audio includes streaming audio, streaming and podcasts 3) Search includes pay-per-click 4) Display excludes social media 5) Mobile excludes in-app advertising 6) Broadcast TV excludes TV advertising served via the internet 7) % refers to YOY change Source B7. Which of these media are developing the most innovative opportunities for advertisers?

Base size all respondents (1023)



“There is real potential for innovation within DOOH. Particularly from a creative perspective and what’s possible when using API’s to trigger activity in relevant moments. Effectiveness will always increase when supported by context and the sky is the limit as BA demonstrated back in 2013”

James Trott
Head of Product, Matterkind UK (IPG)

“We’ve been able to grow programmatic DOOH in the US at a substantial rate. Programmatic opens the door to multi-format, multi-environment media activations. There are gyms, malls, restaurants, office buildings, taxis, a host of alternative quality placement screens in the US that make up tens of thousands of inventory options. That variety and the ability to have a density of screens in key markets gives programmatic buying an advantage. The market is highly fragmented, with dozens of media owners accessible programmatically, that would prove logistically challenging to replicate on a traditional plan. Programmatic consolidates the inventory together, and it can cover almost all formats, which is a huge benefit”

Adrian Witter
Programmatic OOH & Partnerships Lead, Kinetic US

“There are a lot of innovative possibilities with this channel. It’s inherently a very creative and open channel which gives brands opportunities to be playful and engage directly with their audience”

Alys Donnelly
Head of Programmatic, Kinetic UK



Programmatic opens the door to place-based advertising that isn’t available in a meaningful way otherwise

Programmatic DOOH as part of the omni-channel media mix



Today, it is standard practice for advertisers to take an omni-channel approach when planning and buying programmatic campaigns, and this is now extending to include digital out-of-home.

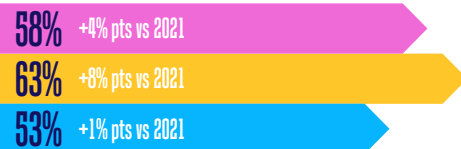
Buying programmatic DOOH alongside other programmatic channels delivers a range of benefits to advertisers. An integrated, omni-channel approach provides advertisers with access to the same audience across multiple touchpoints, enabling them to reinforce campaign messaging and build frequency. In the same way, a single view of a campaign enables advertisers to manage frequency capping, as they are able to monitor campaign exposure and turn on and off different channel activations as needed.

This shift towards an omni channel strategy is reflected in the teams that are buying programmatic DOOH. This year media executives are reporting a decrease in buying through OOH teams (-1% pts) and an increase in buying through digital/programmatic teams (+5% pts).

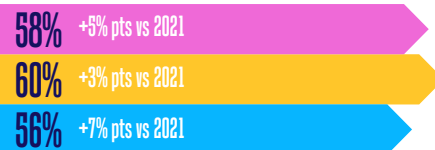
How has the programmatic Out-of-Home advertising you have placed/planned or bought in the last 12 months typically been bought?

5

Bought by dedicated programmatic Out-of-Home team



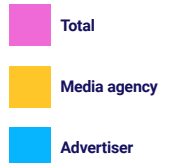
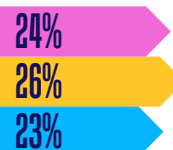
Bought by digital / programmatic team



Bought by Out-of-Home team



Bought by Managed Service DSP team



Notes Source: C3. How has the programmatic Out-of-Home advertising you have placed/planned or bought in the last 12 months typically been bought?

Base size: all who place PDOOH total (454), agency (227), advertiser (227)



“Programmatic is an integrated part of our holistic OOH planning and is also used as part of cross-media all-screen campaigns”

Kim Ringler
Director Data Solutions, areasolutions, Germany

“Out of home works well with a lot of different channels, like mobile and digital audio. Brands are cottoning on to the idea of running cross channel and trying to build the benefits of running across channels, or doing that in a more joined up way”

Alys Donnelly
Head of Programmatic, Kinetic UK

“At Dentsu we have built a team that consists of both OOH and programmatic experts to help our clients navigate this evolving and exciting space”

Leia Reuter
Managing Partner OOH, Dentsu UK

“Clients are trialing programmatic DOOH in in an omni-channel mix to drive action as part of performance campaigns. With programmatic DOOH messaging can be adapted based on the location of the display and the mindsets associated to the people based on the time and venue. We consider all those attributes and advise clients adjust messaging to encourage activation, such as search across Google, or scan a QR code. We can optimize based on basic information like when impressions are being delivered to analytics studies, footfall, app downloads, even website visits. So in that sense, programmatic DOOH bridges the gap between physical advertising and digital”

Adrian Witter
Programmatic OOH & Partnerships Lead, Kinetic US



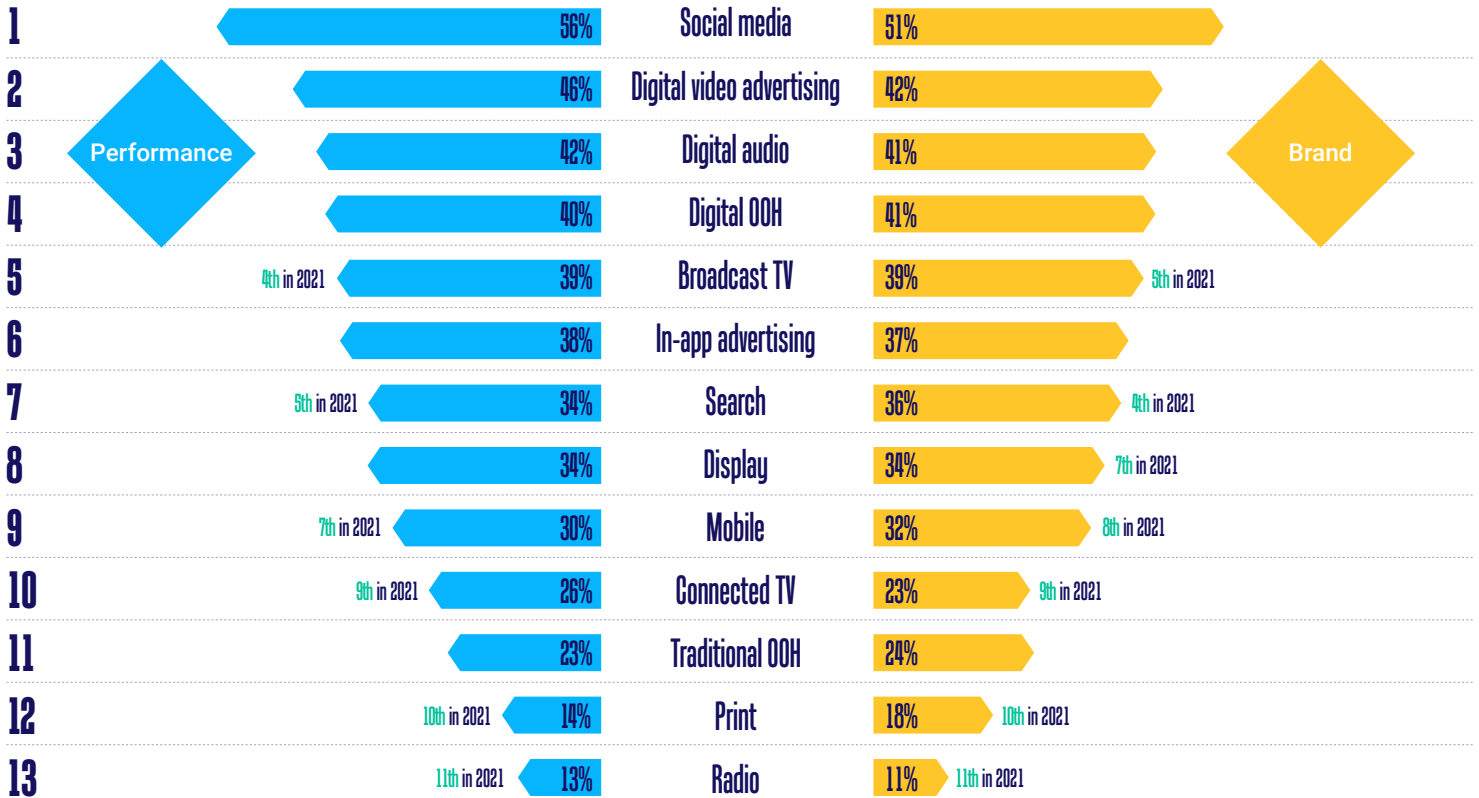
Brands are cottoning on to the idea of running cross channel

As such, channels that can be bought programmatically remain the most popular channels to run alongside programmatic DOOH, with executives selecting social media as the most likely pairing for both performance (56%) and brand-led campaigns (51%), closely followed by digital video advertising and digital audio.

Thinking about performance/brand-led campaigns, which channels would you consider running programmatic DOOH alongside?

NB. Unless otherwise indicated, rankings stayed the same as last year

6



Notes: 1) Social media includes Facebook, Instagram, Twitter etc. 2) Digital audio includes streaming audio, streaming and podcasts 3) Search includes pay-per-click 4) Display excludes social media 5) Mobile excludes in-app advertising 6) Broadcast TV excludes TV advertising served via the internet 6) % refers to YOY change
Source: D1/D2 Thinking about performance /brand-led campaigns which channels would you consider running programmatic DOOH alongside?
Base size all respondents (1023)

Audio is a popular channel to combine programmatic DOOH with, along with social media and display



“We sell programmatic DOOH in order to have an omni-channel experience. So typically its alongside CTV, mobile, and display”

James Lambert
Head of Sightline, GroupM Australia

“We have clients who invest in programmatic capability to help manage Reach & Frequency cross-channel, including DOOH. Matterkind is well positioned to understand who has been exposed to what using common identifiers and graphs, and we use this to optimise the media touchpoints of a campaign in flight”

James Trott
Head of Product, Matterkind UK (IPG)

“Today, our agencies propose 360° solutions for client needs, so an omni-channel approach. We find that a complete solution with repetition of message across many customer touchpoints is most effective”

Laurent Ferreira
Chief Publicity Officer, Groupe Sud Ouest, France

“Audio is a popular channel to combine programmatic DOOH with, along with social media and display. Those are a few key areas where we are seeing cross-over”

Alys Donnelly
Head of Programmatic, Kinetic UK

“OOH helps to create more impact in other channels. It’s generally agreed that OOH, social and TV amplify each other. Running those together provides massive dividends in terms of influencing intention to purchase”

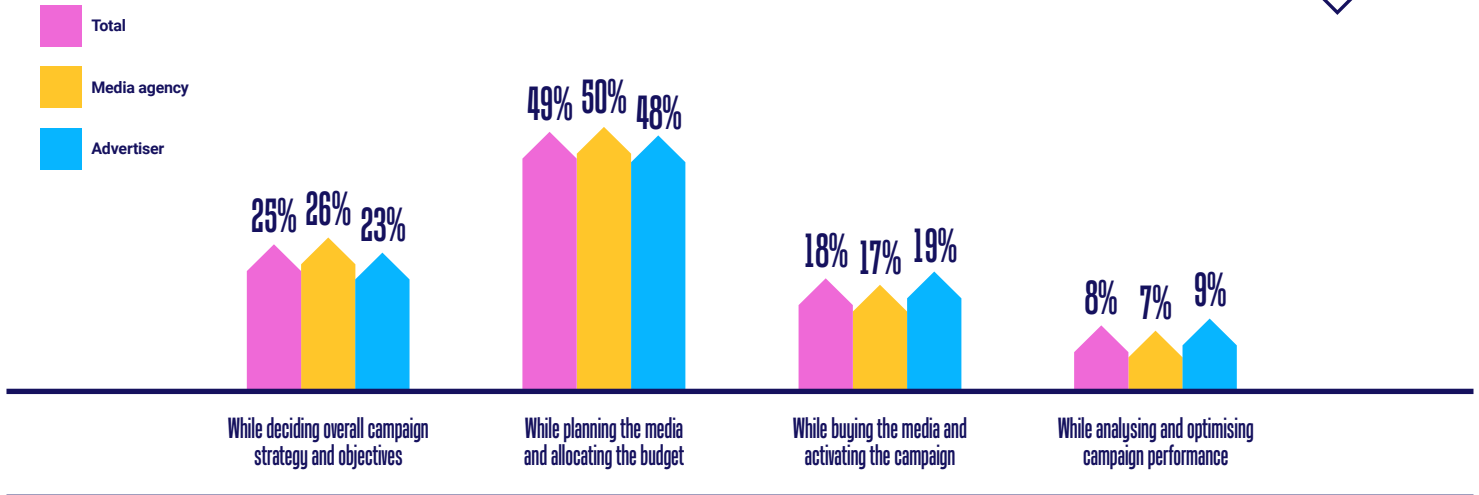
Adrian Witter
Programmatic OOH & Partnerships Lead, Kinetic US



It’s generally agreed that OOH, social and TV amplify each other

Demonstrating the importance of an omni-channel strategy, 3 out of 4 media professionals make the decision to include programmatic DOOH during the early stages of the campaign planning and activation process, **with 25% deciding to include it during the campaign ideation/strategizing phase, and 49% while planning the media and allocation of budgets.**

While planning a campaign, when in the media planning process is the decision to include programmatic digital out-of-home typically happening?



Notes Source: CB. While planning a campaign, when in the media planning process is the decision to include programmatic digital out-of-home typically happening?
Base size: all respondents (1023) agency (517) advertiser (506)



“We have a team of OOH and programmatic experts working together. Prior to that, programmatic DOOH sat more with the traditional OOH team, but the goal for programmatic DOOH specialists is to get involved more in the strategy and planning layer within the agency before it gets to the investment teams, that way we can really understand where it fits, and the opportunity for the client”

James Lambert
Head of Sightline, GroupM Australia

“Many clients are developing a straightforward decision tree of when programmatic DOOH should be considered for them. There are increasing requests for programmatic DOOH at the planning stage, based on an omni-channel activation, or a more dynamic trigger based delivery; when clients specify that, we always recommend programmatic”

Adrian Witter
Programmatic OOH & Partnerships Lead, Kinetic US

Full funnel activation

Advertisers use programmatic DOOH for both brand and performance objectives, depending on the specific goals and requirements of each individual campaign.

Programmatic is generally considered to have broadened DOOH's appeal as a hybrid medium, combining the mass-reach of broadcast - conducive to branding and upper funnel activities - with data-driven dynamism, synonymous with digital performance marketing and lower funnel conversions.



"There is no distinction, we use programmatic DOOH for both brand and performance, just like digital"

Kaoutar Benazzi
Chief Programmatic Officer, Havas France

"We take an audience-led approach; some are more brand focused clients, some might need more flexibility. There is an element of both performance, and brand in this channel"

James Lambert
Head of Sightline, GroupM Australia

"In our region, there is a huge focus on branding. However, we work with local clients that expect ROI and commercial performance, which is to drive sales. So, we use programmatic DOOH for both, for brand and for driving to the store"

Laurent Ferreira
Chief Publicity Officer, Groupe Sud Ouest, France

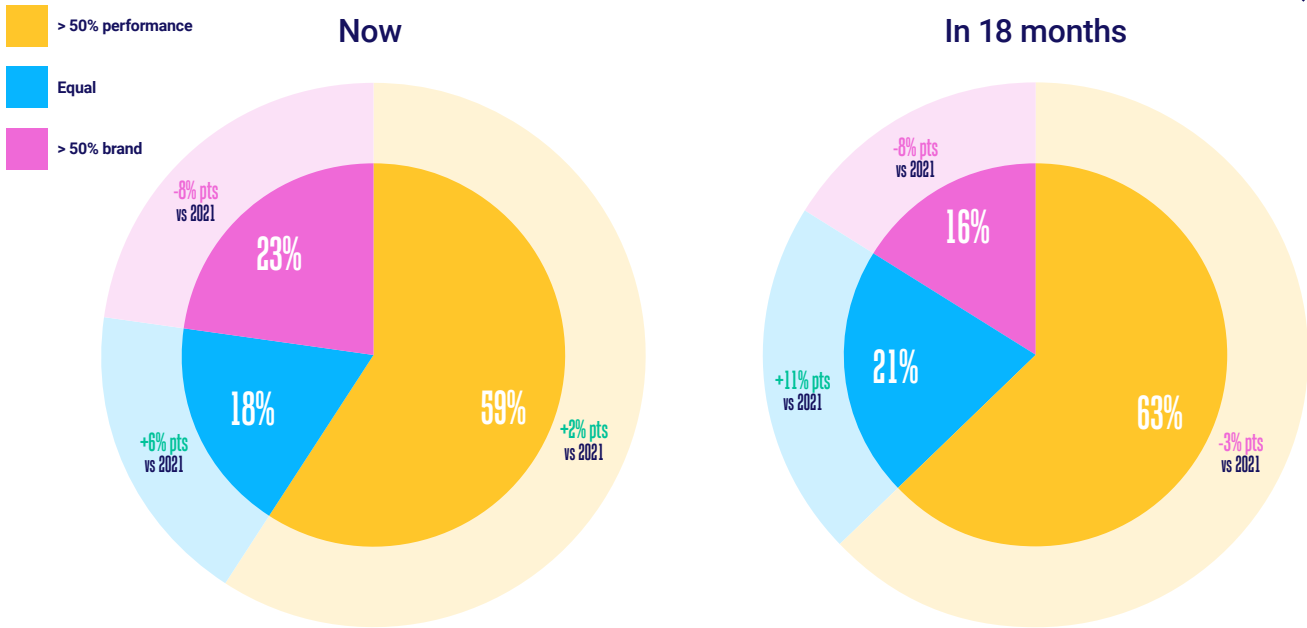




There is no distinction, we use programmatic DOOH for both brand and performance

Whilst allocation of performance and brand spend on programmatic DOOH is done on a case-by-case basis, more broadly, advertising budgets currently skew towards performance spend (59%). **This is expected to continue into 2023, with performance focused campaigns predicted to take the lion's share of budget,** perhaps unsurprisingly given current uncertainties around the broader economic outlook.

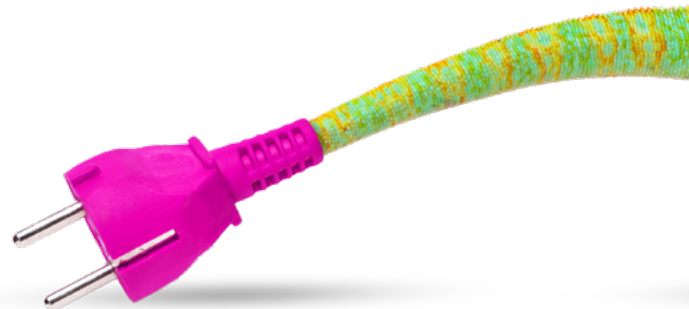
What percentage breakdown is your performance vs branding budgets now / in 18 months time? 8



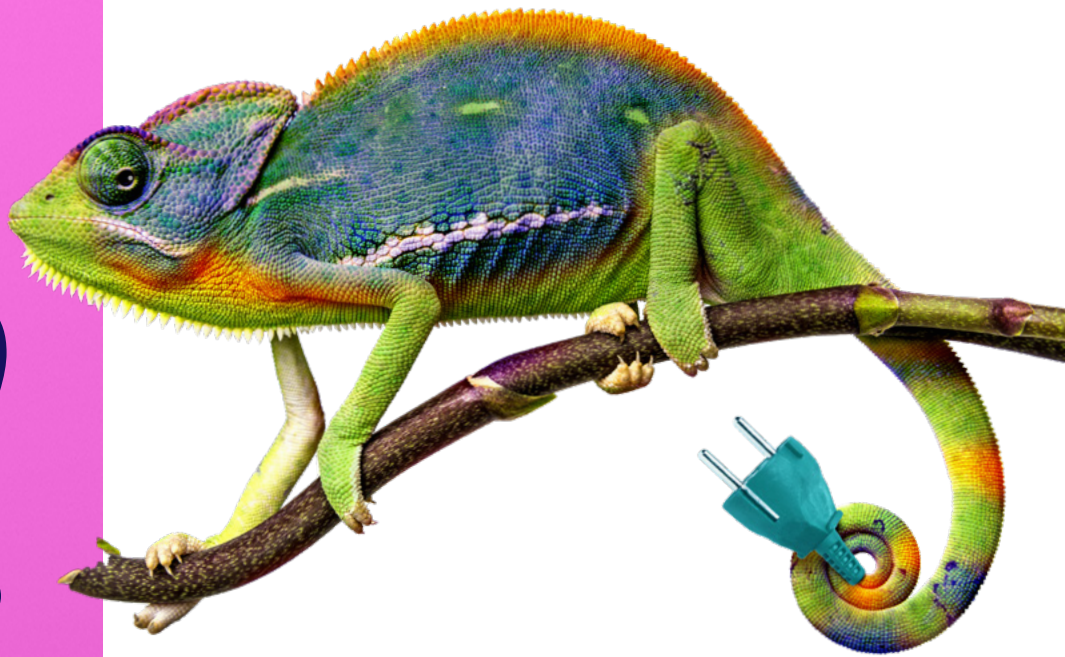
Notes Source: B3. What percentage breakdown is your performance vs branding budget? Base size (1000), Brand – What percentage breakdown will there be between your performance vs branding budgets in 18 months' time? Base size: all respondents (1023)

59%

ADVERTISING BUDGETS CURRENTLY SKEW TOWARDS PERFORMANCE SPEND



Defining the new landscape

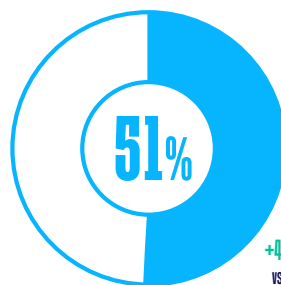


Expected demand for programmatic DOOH

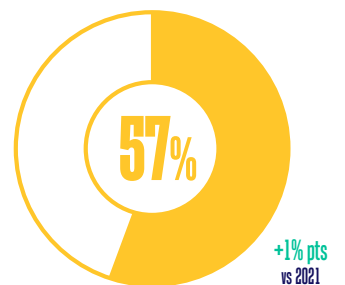
As outlined above, demand for programmatic DOOH is expected to continue to grow. Nearly 60% of campaigns are expected to include programmatic DOOH over the next 18 months, according to executives.

Proportion of campaigns executives have planned, bought or placed programmatic DOOH in the last / next 18 months?

9



Last 18 months



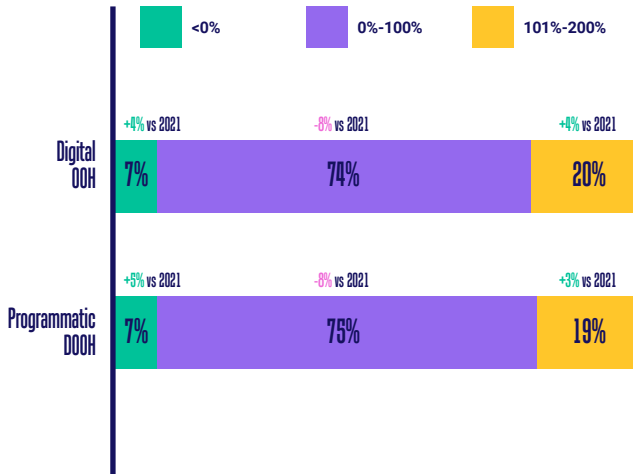
Next 18 months

Notes: Source: C6. Think of the campaigns you've worked on in the past 18 months, for what proportion have you planned, bought, or placed programmatic DOOH advertising? / C7. Now think of the campaigns you'll be working on in the next 18 months, for what proportion do you think will you plan, buy, or place programmatic DOOH advertising? Base size (1023)

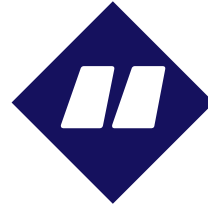
In addition, 19% (+3% pts vs 2021) of executives believe that advertising investment in programmatic DOOH will more than double (101-200%) over the next 18 months.

How do you think your advertising investment will change in the next 18 months?

10



Notes: Source: BB. How do you think your advertising investment in the following media will change in the next 18 months?
Base size: all respondents (1023)



“Clients will continue to use it, as there are definite advantages, although I feel like there are plenty of clients that could and should be using it that haven’t yet, so I do think it will continue to increase”

Martin Porter,
Head of OOH, Dentsu US

“We see clients understanding more around what the channel can do. We also see greater sophistication in the use of the available tools, whether that be in relation to creative, data, or other areas. People are getting more and more excited about this part of the world and I think this will definitely continue”

Alys Donnelly
Head of Programmatic, Kinetic UK

“The volume of programmatic DOOH campaigns will continue to grow, and with that, the relevance of programmatic DOOH both in holistic OOH planning and cross channel planning will also grow”

Kim Ringler
Director Data Solutions, areasolutions Germany

19%

OF EXECUTIVES BELIEVE THAT ADVERTISING INVESTMENT IN PROGRAMMATIC DOOH WILL MORE THAN DOUBLE (101-200%) OVER THE NEXT 18 MONTHS



Advertisers appreciate that this growth will come with a steep learning curve for some, and many are planning on investing heavily in the channel in order to go through a period of testing and learning, to evaluate where and how the channel can be most effective.

I think we're going to go through a period where we want to take risks to test and learn in order to understand it fully



"We want to go through a period of increased investment in the channel under the context of "test and learn", to understand what is possible. The growth of programmatic OOH should be determined by successes and failures of those campaigns which are informed by data"

James Trott
Head of Product, Matterkind UK (IPG)

"I think we're going to go through a period where we want to take risks to test and learn in order to understand it fully. In order to educate clients about the benefits, we need to begin with test and activation"

Kaoutar Benazzi
Chief Programmatic Officer, Havas France

"Programmatic is a great opportunity to reassess how we plan OOH, but we need to aggressively test it and find how much more effective the medium becomes through this channel. As an industry, we need to look at whether the efficiency makes it more effective"

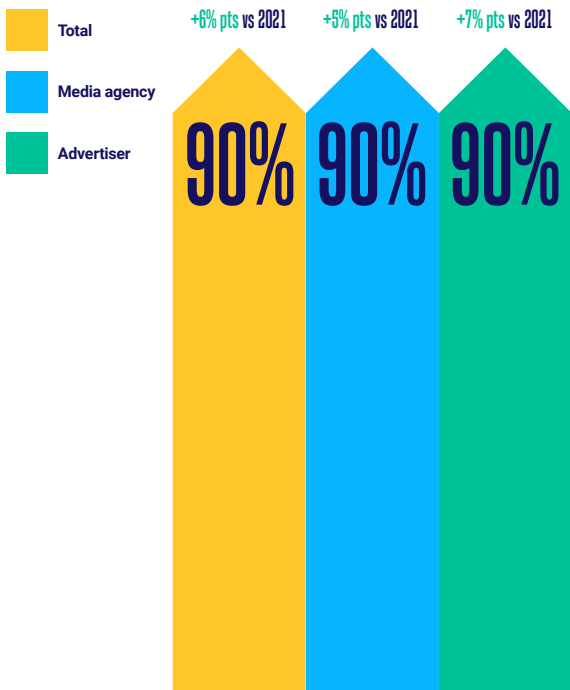
Leia Reuter
Managing Partner OOH, Dentsu UK



In-house investment

In line with the expected demand outlined above, 90% (+6% pts vs 2021) of media executives say that they will invest in building programmatic DOOH expertise in-house over the next 18 months, with many hoping to grow programmatic DOOH teams and upskill programmatic and OOH desks.

Thinking about how you expect to place programmatic digital out-of-home advertising in the next 18 months, to what extent do you agree or disagree with the following statement?



We will invest in building our programmatic digital Out-of-Home expertise

Notes: Source: C10. Thinking about how you expect to place programmatic digital out-of-home advertising in the next 18 months, to what extent do you agree or disagree with the following statement?
Base size: all respondents (1023) agency (517) advertiser (506)



“We’ve invested in sophisticated technology, and data, but we want to push our use of the tech capabilities even further to deliver dynamic content optimisation, and we want to be more omni-channel in terms of our systems working together. We want it to be more seamless”

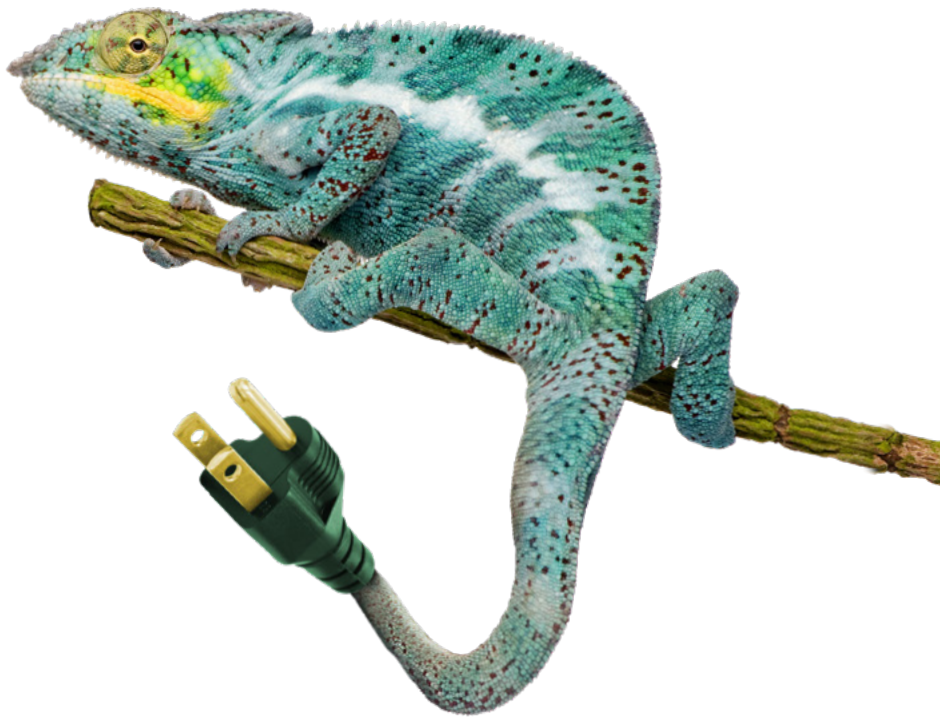
James Lambert
Head of Sightline, GroupM Australia

“In line with the market, our programmatic DOOH team will grow in the next 12 months”

Laurent Ferreira
Chief Publicity Officer, Groupe Sud Ouest France



Overcoming barriers to adoption



1 More widespread understanding of programmatic DOOH

Given the alignment in planning and buying of programmatic DOOH alongside other programmatic activity, it is no surprise that investment in widespread education will unlock further spend in the channel by helping advertisers to better understand the key benefits of programmatic DOOH and enabling them, in turn, to communicate those benefits to clients and teams.

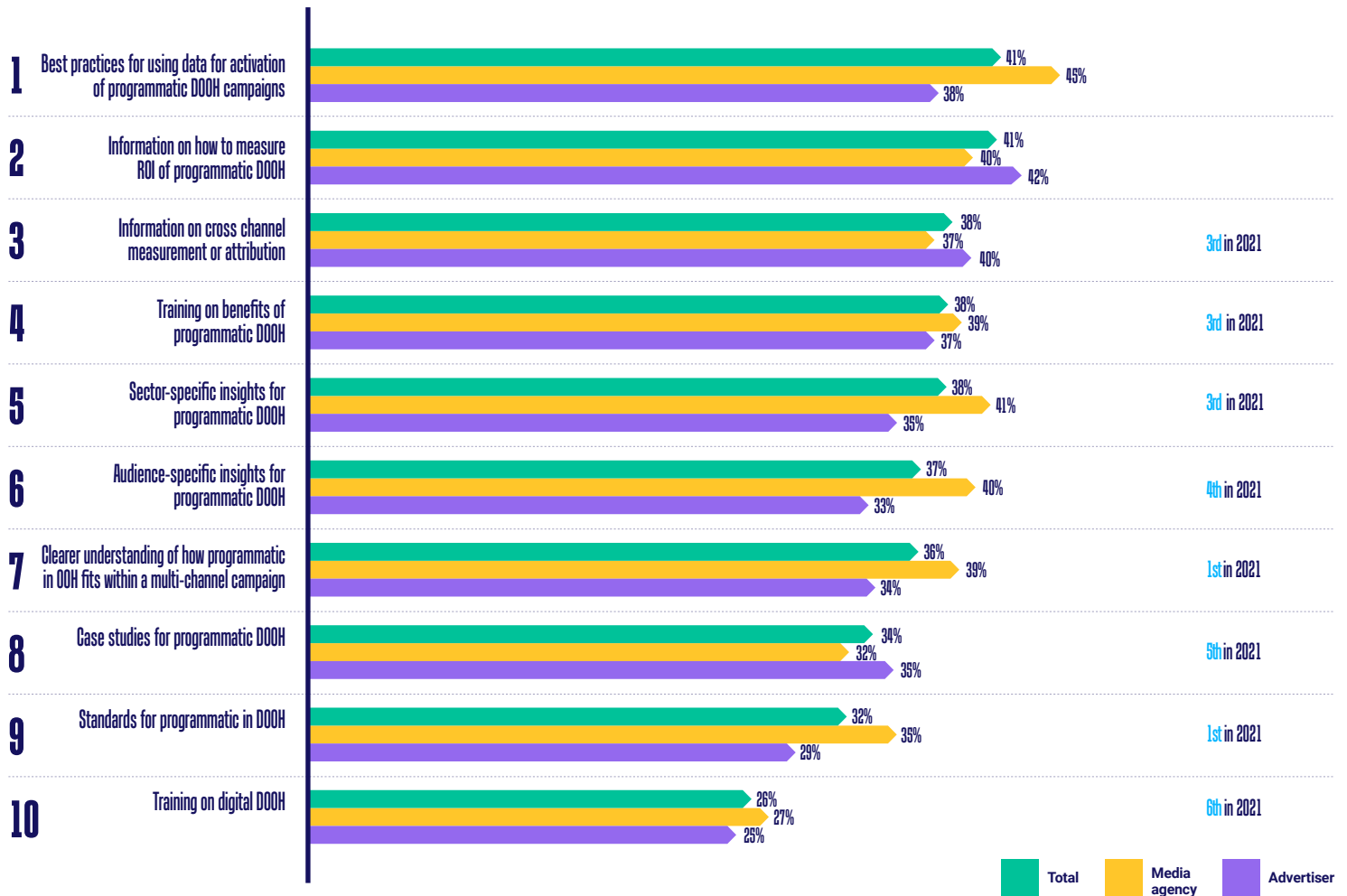
Central to this education piece is sharing best practices in data activation and providing information on how to measure the ROI of programmatic DOOH campaigns. 45% of agency executives feel that best practices in using data for programmatic DOOH would help them to better understand the channel, and 42% of advertising executives said that they would like to know more about how to accurately measure the ROI of their programmatic DOOH campaigns.

As a sign of the channel's evolution, in 2021 advertisers wanted a clearer understanding of how programmatic DOOH fits within a multi-channel campaign (ranked #1 in 2021), and for standards in programmatic DOOH to be clearly articulated (ranked #1 in 2021). However, in 2022, advertisers seem to be less concerned with these foundational considerations and more focused on refining programmatic DOOH campaigns through best practices for data activation, and audience and sector-specific insights.

Which, out of the following, would help you learn more about programmatic DOOH advertising?

NB. Unless otherwise indicated, rankings stayed the same as last year

12



Notes: Source: D4. Which, out of the following, would help you learn more about programmatic DOOH advertising?
Base size (1023), media agency (517), advertiser (506)



“Education is important, and it’s not just about the tech. Digital specialists and traditional OOH specialists will have a different view on programmatic DOOH and where it sits, so it’s about making sure everyone gets on the same page and collaborates”

James Lambert
Head of Sightline, GroupM Australia

“OOH buyers need to collaborate with buyers in other channels to prove the value of programmatic DOOH, and carry that message to clients with a unified voice and robust proof points”

Adrian Witter
Programmatic OOH & Partnerships Lead, Kinetic US

“We’ve got quite a lot of work to do around educating clients about the opportunities that exist with programmatic OOH. As an industry, we need be focused on providing evidence of the value of these opportunities, and then we can sell that to clients”

Leia Reuter
Managing Partner OOH, Dentsu UK

“I think there is still some further education work that we all need to do in this space around showing how programmatic OOH fits the changing needs of brands and delivers value in these areas”

Alys Donnelly
Head of Programmatic, Kinetic UK

“OOH teams are sometimes not consulted in the strategic planning process, and the responsibility flows through digital teams, who have the right idea about incorporating DOOH but lack the expertise to craft the appropriate strategic plan. They don’t always have the time or channel experience to identify what constitutes a robust campaign plan to maximize OOH effectiveness. Ultimately, to support channel growth folks from OOH and programmatic disciplines need to find common ground on where and how OOH can be used to maximize overall campaign effectiveness”

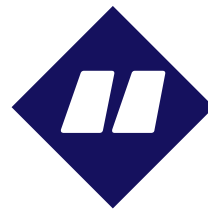
Adrian Witter
Programmatic OOH & Partnerships Lead, Kinetic US



2 Measurement and Case Studies

To complement education on the benefits of programmatic DOOH, advertisers and agency executives would like to see media owners producing more case studies with measurable results. Many feel they could do a better job of communicating the effectiveness of programmatic DOOH to clients and colleagues if they had a set of widely accepted, robust metrics and case studies that celebrated key successes as well as detailing the ROI achieved and impact on key KPIs.

Cross-channel attribution is a pervasive issue across all media types and is not a challenge specific to programmatic DOOH. As highlighted in Exhibit 12, 2 out of 5 media professionals would like more information on cross-channel measurement and attribution in order to demonstrate programmatic DOOH's impact within an omni-channel campaign.



“Have more case studies, more proofs of concept, and more measurements to prove the impact on branding and performance. CPMs on programmatic DOOH are higher than on other mediums, so we need those studies to show its impact”

Kaoutar Benazzi
Chief Programmatic Officer, Havas France

“We have more proof points on why it's better to activate this way, but more successes to talk about will really help”

James Trott
Head of Product, Matterkind UK (IPG)



We need studies to show its impact



“The market is there and the appetite is there, but a good, sophisticated attribution model would be really valuable”

Sam Buchanan
CEO, Independent Media Agencies Australia

“We need more sophisticated and aligned measurement. We are working across several types of screens, with different publishers and methodologies; it’s hard to implement a concrete method to analyse the audience for the client”

Kaoutar Benazzi
Chief Programmatic Officer, Havas France

“Cross channel attribution is unbelievably hard. In terms of conversion, you know that they have been hit by OOH, exposed to search and social, but understanding the value that each one has to conversion, it’s incredibly difficult”

James Trott
Head of Product, Matterkind UK (IPG)

“In an econometric model it is often difficult to measure the impact of DOOH, especially when you are buying lighter weight campaigns. We need to find a way to prove the impact programmatic DOOH has at a local level”

Leia Reuter
Managing Partner OOH, Dentsu UK



We need to find a way to prove the impact programmatic DOOH has at a local level





“Cross channel attribution is not just an OOH issue, it’s an issue for all channels. There’s still some further work to be done here to ensure each channel is being fairly represented in terms of their contribution to the outcomes of the campaign”

Alys Donnelly
Head of Programmatic, Kinetic UK

“The technical development has happened faster than the development of performance measurement. Performance values need to be articulated and campaign measurement needs to be improved. Comparability with other programmatic channels in terms of KPI evaluation is very important for clients, and they are increasingly demanding it”

Learco Oestereich
Group Manager DOOH, areasolutions, Germany

“Last click attribution remains a growth driver for online media channels. With advanced attribution and delivery capabilities in programmatic DOOH, clients can incorporate the channel into more robust multi-touch attribution models. These models enable analysis from exposure to demonstrate conversion and retention across an entire spectrum of media channels. Whilst doing so at scale in a granular way is really challenging even for the best analytics teams, this is increasingly becoming a standard practice that will only get easier and therefore increase over time.

At the moment, we are very adept at looking at a macro level – i.e. seeing that client investment in OOH and social provided 3 times return on ROI – but drilling down further than that is difficult. The tools and means to do that are being developed, and we’re not there yet, but that’s okay. The fact that OOH is a cornerstone part of these attribution studies now is a win for the channel. We’ve been building the attribution credentials for years and we have years’ worth of data to show that OOH is a key contributor to business KPIs and campaign success”

Adrian Witter
Programmatic OOH & Partnerships Lead, Kinetic US



**The fact that
OOH can even be
a part of these
attribution studies
is a win for us**



3 Precision targeting and real-time audience data

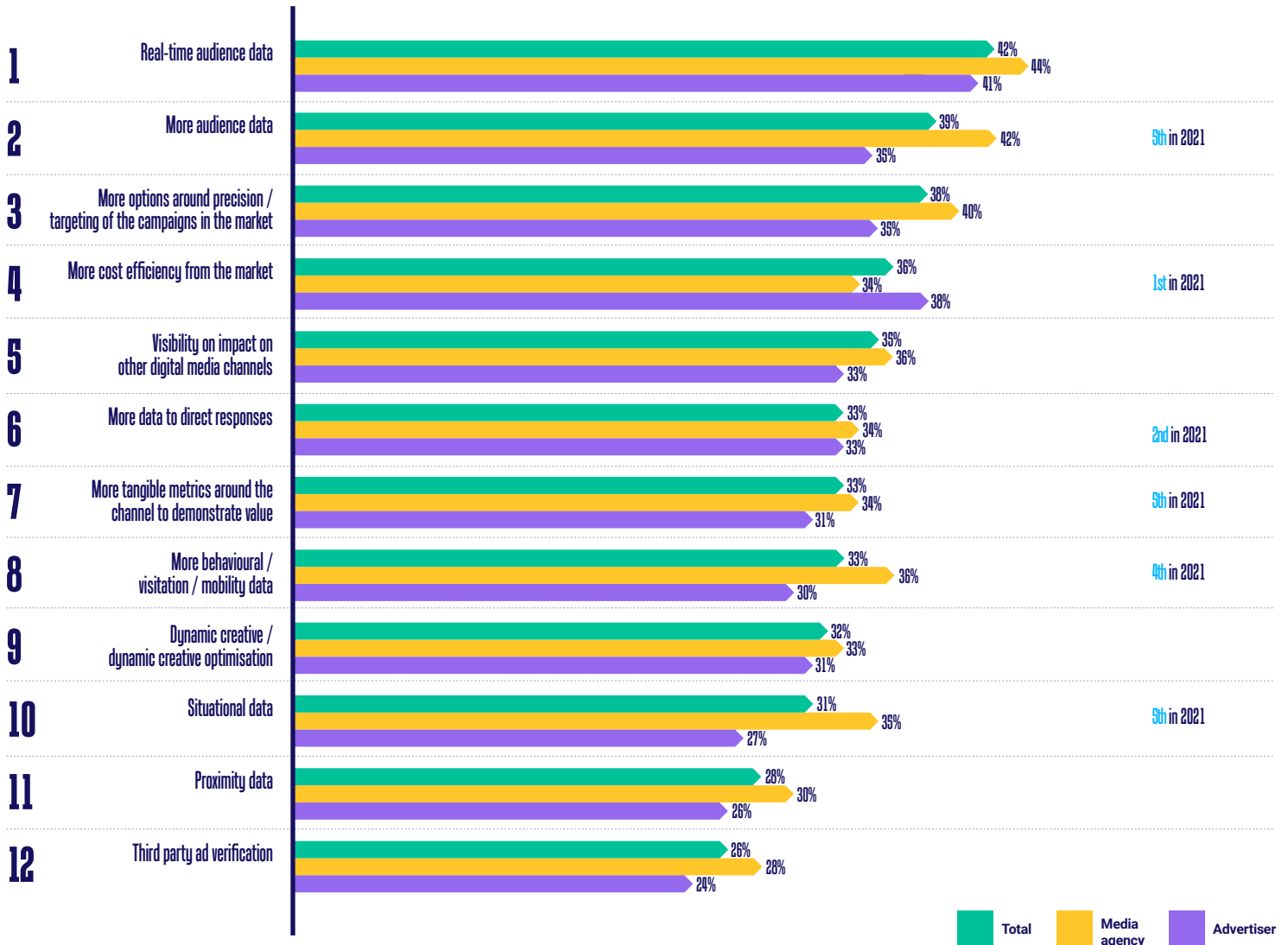
This year, media professionals identified the provision of real-time data (ranked #1) as key to improving the value of, and boosting investment in, programmatic DOOH. This is a notable departure from 2021, when advertisers highlighted the need for more data to drive direct response campaigns as central to facilitating growth in the channel. However, advertisers now place this lower in their ranking of priorities (ranked #6 in 2022 vs #2 in 2021), signalling a shift in advertiser priorities as they become more advanced in their planning and buying of programmatic DOOH.

In light of the increasing alignment of programmatic DOOH with other programmatic digital channels, it is unsurprising that brands are also keen to get their hands on as much data as possible in order to build out multi-layered audience segments and improve the efficacy of campaigns. Thus, executives believe that a wider scope of audience data (39%) plus additional targeting options (38%) would give programmatic DOOH more value and prompt an increase in investment.

Real-time audience data to enable dynamic creative optimisation is massively important

Which of the following would you like to see in order to give programmatic digital out-of-home campaigns more value and make you invest more?

NB. Unless otherwise indicated, rankings stayed the same as last year



Notes: Source: C6. Which of the following would you like to see in order to give programmatic DOOH campaigns more value and make you invest more?
 Base size all respondents (1023) agency (517) advertiser (506)



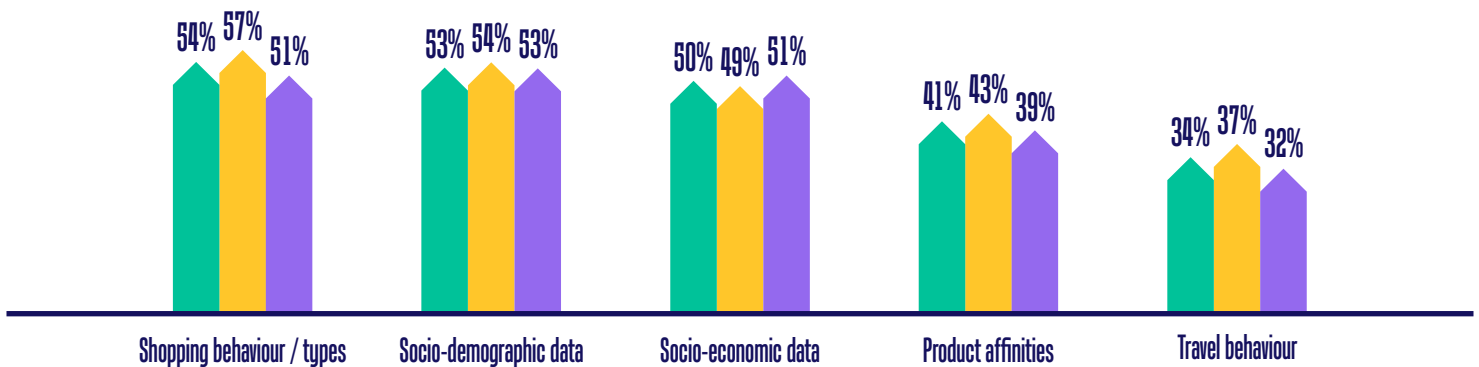
“Real-time audience data to enable dynamic creative optimisation is massively important”

James Lambert
 Head of Sightline, GroupM Australia

In terms of types of audience data that advertisers perceive to be most valuable, media executives say that shopping behaviour (54%) and socio-demographic (53%) data are the most useful data sets to employ in the targeting of programmatic DOOH campaigns.

Which of the following types of audience data would be most useful in targeting programmatic digital out-of-home campaigns?

14



Notes: Source: C6.1. Which of the following types of audience data would be most useful in targeting programmatic DOOH campaigns? Base size all respondents (1023) agency (517) advertiser (506)



“Every brief is different so what the emphasis should be in terms of data or execution is going to vary depending on what the client needs at that particular time. It’s a testament to the flexibility of the channel and the way that it has evolved that we can do that”

Alys Donnelly
Head of Programmatic, Kinetic UK

54%

OF MEDIA EXECUTIVES SAY THAT SHOPPING BEHAVIOUR IS THE MOST USEFUL AUDIENCE TARGETING DATA

Summary



The results of these surveys from over 1000 media executives globally are clear, showing that the future for programmatic DOOH looks bright. With nearly all (94%) media professionals surveyed set to retain or increase investment in the channel, demand is expected to continue, and grow, over the next 18 months.

In response to the predicted surge in demand from clients across all sectors, media executives will continue to invest in building in-house programmatic DOOH expertise, focusing on educating programmatic, OOH and cross-media planning teams on the advantages of programmatic DOOH so that benefits can be clearly communicated to clients.

Whilst the COVID-19 pandemic proved the value of the agility that programmatic DOOH offers, many advertisers have continued to take advantage of this flexibility post-pandemic. Furthermore, the ability to pivot and switch on/off programmatic DOOH campaigns as required is likely to become even more compelling as we collectively navigate new norms in working and socialising habits, and a potentially precarious economic outlook.

Programmatic DOOH is sure to take its place as a mainstay on programmatic campaigns



The ability to target out-of-home audiences with laser precision is likely to persist as a key driver of programmatic DOOH adoption, with the potential to overlay real-time audience data to inform activation, an exciting prospect for many.

As advertisers pursue an omni-channel approach to planning and executing programmatic activity, programmatic DOOH is sure to take its place as a mainstay on programmatic campaigns. Those that are newer to the channel may take more of a test and learn approach, discovering the synergy that programmatic DOOH has with other digital channels such as social media, digital video, and digital audio. Advertisers that have consistently invested in programmatic DOOH will continue to reap the benefits of the channel's hybrid broadcast/digital capabilities and its ability to drive both brand and performance outcomes.

Finally, in order to unlock the full potential of programmatic DOOH, it is becoming increasingly important to offer robust ROI and measurement solutions. As planning programmatic DOOH alongside other channels becomes standard practice, the ability to accurately measure its impact within a multi-channel campaign is likely to become a determining factor in the growth of the channel. Moreover, the provision of case studies with measurable outcomes will arm media executives with concrete evidence that will help them to showcase the value of programmatic DOOH.