

State of the Nation

Programmatic DOOH 2023
Australia white paper



EXECUTIVE SUMMARY



- ◆ Programmatic digital out-of-home (prDOOH) is **very popular amongst advertisers** in Australia, but it still has room to grow
- ◆ **Growth is set to continue**, with the vast majority of the Australian survey respondents saying that they will **increase spend in the next 18 months**, by over a third on average
- ◆ Australian advertisers tend to plan prDOOH advertising as **part of other OOH activities**
- ◆ Australian advertisers surveyed believe that prDOOH offers some of the **most innovative and exciting opportunities** in the market in 2023
- ◆ Australian advertisers are still facing challenges with cost efficiency. They want **support in implementing tangible metrics** that prove the value of prDOOH and its impact on other media channels
- ◆ Providing better data signals and broader use of data will help to **increase adoption in Australia**



VIOOH partnered with research and strategy agency, MTM, to survey 1,200 advertisers and agencies across the US, UK, Australia, Germany, France, and Spain to learn about the current state of the nation of programmatic digital out-of-home (prDOOH) advertising.

Participants in this research have already purchased prDOOH in the past 12 months, are planning to purchase it in the next 12 months or are digital buyers open to purchasing it.

This report covers the highlights of the Australian market. The full global report can be [found here](#).

WHAT IS THE CURRENT STATE OF THE NATION OF PROGRAMMATIC DIGITAL OUT-OF-HOME IN AUSTRALIA?



Programmatic digital out-of-home (prDOOH) is very popular amongst advertisers in Australia. Survey results show that out of the campaigns Australian advertisers have worked on in the past 12-18 months, on average over a third (37%) have included prDOOH in the media plan¹. This positive outlook is set to continue, with the average increasing to 43% of media plans likely to include prDOOH in the next 18 months².



ON AVERAGE, ADVERTISERS HAVE **INCLUDED prDOOH** IN 37% OF THE MEDIA PLANS THEY HAVE PLACED IN THE LAST 18 MONTHS

The channel still has room to grow though, as many digital out-of-home campaigns continue to be purchased directly. Currently, 35% of Australian advertisers usually or always purchase their DOOH campaigns through a programmatic buy **only**, followed by 34% who say they usually or always use direct buys only³.

Survey respondents in Australia also said they plan to continue placing spend on prDOOH, and in the vast majority of cases, this means increasing spend (by an average of 34% over the next 18 months)⁴.

1. C10: Think of the campaigns you've worked on in the past 18 months, for what proportion have you placed, planned, or bought programmatic digital out-of-home advertising?

2. C11: Now think of the campaigns you'll be working on in the next 18 months, for what proportion do you think you will place, plan, or buy programmatic digital out-of-home advertising?

3. B11: In the past 12 months, how have your digital out-of-home campaigns typically been bought?

4. B7: How do you think your advertising investment in the following media will change in the next 18 months?





34%

AUSTRALIAN ADVERTISERS PLAN TO **INCREASE SPEND** IN PROGRAMMATIC DIGITAL OUT-OF-HOME BY AN AVERAGE OF 34% OVER THE NEXT 18 MONTHS

“For most clients we are activating both a prDOOH buy as well as a direct buy. We see them as complementary to each other, playing different roles in our strategy. For example, we have a home builder client whereby our direct buy is driving reach, and the programmatic campaign is focussed on DR, and driving traffic to display homes over the weekend”

SALLY LAWRENCE, MEDIA GROUP DIRECTOR, ENIGMA MEDIA

“Stakeholders are still grasping the role of programmatic DOOH media as a channel because they are used to dealing with mobile and online performance channels that are one-to-one, and it took a little while for them to build and adapt their capability. Now, there is definitely more collaboration between client partners, agencies, media suppliers, tech and data partners”

JAMES LAMBERT, HEAD OF SIGHTLINE, PART OF GROUPM NEXUS

“There feels as though there is a strong appetite in the market for growth in this space. The fact that we can have a full day industry event dedicated to programmatic outdoor pretty well showcases the direction that we’re heading”

SALLY LAWRENCE, MEDIA GROUP DIRECTOR, ENIGMA MEDIA



WHAT IS FUELLING THE GROWTH OF PROGRAMMATIC DIGITAL OUT-OF-HOME IN AUSTRALIA?



The market for DOOH is showing strong growth, with the DOOH market expected to reach A\$1.4bn in 2023⁵. Adoption of prDOOH within advertisers in Australia is high, and, indeed, part of the growth story for prDOOH is the underlying growth in DOOH.

A range of factors drives its popularity: prDOOH is recognised as innovative (81% of respondents, the highest score across all channels), with accurate location targeting the top benefit for advertisers⁶.

Factors that are fueling the growth of programmatic DOOH in Australia include:

- ◆ More inventory becoming available programmatically
- ◆ The increasing availability of data: advertisers have access to more data than ever before, which allows them to target their campaigns more effectively.
- ◆ Better transparency: advertisers are demanding more transparency from DOOH providers, which is driving the development of new technologies and standards.

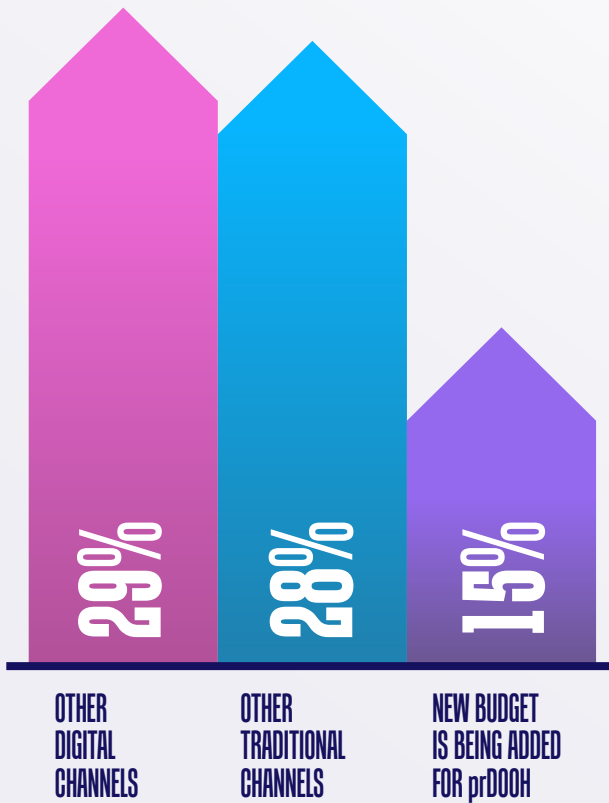


OF AUSTRALIAN ADVERTISERS SURVEYED BELIEVE THAT PROGRAMMATIC DIGITAL OUT-OF-HOME OFFERS INNOVATIVE OPPORTUNITIES



5. https://www.pwc.com.au/entertainment-and-media/2021/2021_australian_entertainment_media_outlook_report.pdf
6. B6: Which of these media are developing the most innovative opportunities for advertisers?

IF BUDGET IS GOING TO BE INCREASED FOR PROGRAMMATIC DIGITAL OUT-OF-HOME, WHERE IS THIS BUDGET BEING MOVED FROM?



Source: C5 Base size AU (185)

Given this backdrop, the budget for prDOOH is most likely to be shifted from DOOH (47%), and traditional OOH (45%), as programmatic in DOOH inevitably moves towards becoming the new normal.

Significantly, nearly a third of advertisers in Australia are shifting budgets from other digital / traditional channels (28% and 29% respectively), and 15% are allocating new budgets for prDOOH.⁷

In Australia, only 7% of main OOH teams are likely to be accessing new budget for prDOOH. However, when buying is diversified outside of OOH buyers, they are more likely to be adding new budget (digital or programmatic team 17%, dedicated prDOOH team 22%, Managed Service DSP team 75%).

As the number of advertisers in Australia adopting prDOOH continues to rise, so does awareness of the distinctive advantages it offers - brand safety (67%), delivering accurate location targeting (66%), establishing trust and credibility with the target audience (67%)⁸.

“PrDOOH allows speed to market, but also means we can be more sophisticated with messaging and targeting. We do a lot around moment mapping across customer journeys and prDOOH is often the perfect channel to activate against these moments.”

SALLY LAWRENCE, MEDIA GROUP DIRECTOR, ENIGMA MEDIA

“Programmatic DOOH provides the opportunity to deliver more hyper-localised or personalised messaging at scale and take advantage of data to inform creative messaging”

JAMES LAMBERT, HEAD OF SIGHTLINE, PART OF GROUPM NEXUS



7. C5: If the budget is going to be increased for programmatic digital out-of-home, where is this budget being moved from?

8. B1: We will now show you a list of attributes and media types. Please choose any of the media you feel deliver against these attributes.

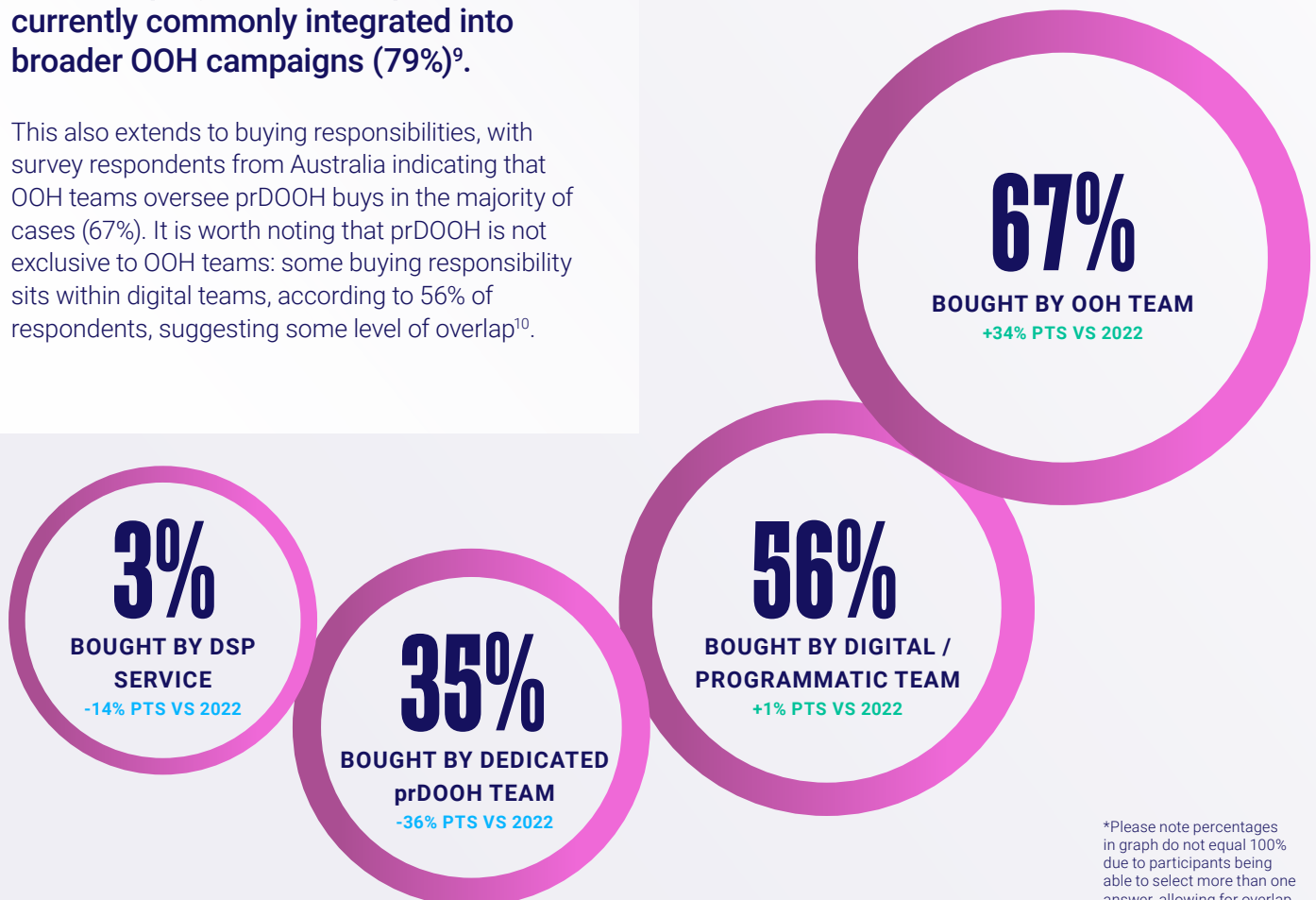
HOW IS PROGRAMMATIC DIGITAL OUT-OF-HOME TYPICALLY BOUGHT IN AUSTRALIA AND WHERE DOES IT SIT ON A MEDIA PLAN?



Whilst DOOH is more recent, traditional OOH formats have been prevalent in Australia for many years, and as a result, many advertisers and agencies are accustomed to planning and executing OOH campaigns. As such, prDOOH is currently commonly integrated into broader OOH campaigns (79%)⁹.

This also extends to buying responsibilities, with survey respondents from Australia indicating that OOH teams oversee prDOOH buys in the majority of cases (67%). It is worth noting that prDOOH is not exclusive to OOH teams: some buying responsibility sits within digital teams, according to 56% of respondents, suggesting some level of overlap¹⁰.

HOW HAS THE PROGRAMMATIC DIGITAL OUT-OF-HOME ADVERTISING YOU HAVE PLACED, PLANNED OR BOUGHT IN THE LAST 12 MONTHS TYPICALLY BEEN BOUGHT?*



*Please note percentages in graph do not equal 100% due to participants being able to select more than one answer, allowing for overlap of responses

9. C2: How has the programmatic digital out-of-home advertising you have placed, planned or bought in the last 12 months typically been planned?
10. C3: How has the programmatic digital out-of-home advertising you have placed, planned or bought in the last 12 months typically been bought?

81% OF AUSTRALIAN ADVERTISERS SURVEYED BELIEVE THAT PROGRAMMATIC DIGITAL OUT-OF-HOME IS IMPORTANT FOR PERFORMANCE-LED CAMPAIGNS

81%

“Our teams are built to plan and buy across all channels. This means we have the right skillset in house as we understand both programmatic and traditional outdoor buying.”

SALLY LAWRENCE, MEDIA GROUP DIRECTOR, ENIGMA MEDIA

“As brands lean in more to “brand-formance” approaches, prDOOH can be a good solution for them. We have historically used it in the mid-funnel through our moment mapping, and of course it does well at the top of the funnel. For it to really play in the performance layers there would need to be more advancements in the omni-channel and measurement space.”

SALLY LAWRENCE, MEDIA GROUP DIRECTOR, ENIGMA MEDIA

“It's still more of a branding channel, but it's becoming more performance based and attributable as clients evolve their omni-channel strategies to include DOOH”

JAMES LAMBERT, HEAD OF SIGHTLINE, PART OF GROUPM NEXUS



WE WILL NOW SHOW YOU A LIST OF ATTRIBUTES AND MEDIA TYPES. PLEASE CHOOSE ANY OF THE MEDIA YOU FEEL DELIVER AGAINST THESE ATTRIBUTES.



Source: B1 Base size: AU (200)

Survey results also suggest that Australian advertisers take advantage of prDOOH’s flexibility (63%, +8% pts vs. DOOH) and ability to establish credibility with an advertisers’ customer (64%, +8% pts vs. DOOH)¹¹

PrDOOH marries the broadcast format of DOOH with the hyper-targeted capabilities afforded by programmatic buying. This means that the medium can be leveraged for both performance and brand-led objectives, depending on the specific requirements of a campaign.

Advertisers in AU feel that prDOOH should be leveraged for both performance-led and brand-led campaigns, with a large overlap of participants (more than 50%) stating that prDOOH is important for both (81% for performance-led¹², and 78%¹³ for brand-led campaigns).

Australian advertisers consider social media to be a natural fit to complement prDOOH in both brand and performance campaigns. This is unsurprising given the broad reach that both social media and prDOOH can deliver, making them a powerful duo to maximise the reach and frequency of a brand’s campaign messaging.

Many may also use display ads (77%) alongside prDOOH in both performance¹⁴ and brand-led campaigns¹⁵.



11. B1: We will now show you a list of attributes and media types. Please choose any of the media you feel deliver against these attributes.
 12. B4: What channels do you see as important for performance-led campaigns?
 13. B5: What channels do you see as important for brand-led campaigns?
 14. D1: Thinking about performance-led campaigns, which channels would you consider running programmatic digital out-of-home alongside?
 15. D2: Thinking about brand-led campaigns, which channels would you consider running programmatic digital out-of-home alongside?

WHAT CHALLENGES DO AUSTRALIAN ADVERTISERS NEED TO OVERCOME IN ORDER TO UNLOCK THE FULL POTENTIAL OF PROGRAMMATIC DIGITAL OUT-OF-HOME?



Whilst prDOOH has moved firmly into the mainstream in Australia, a number of advertisers are having difficulty determining the value of prDOOH in cross-channel campaigns, and quantifying its value compared to DOOH and traditional OOH. In some cases, this is slowing down adoption, as advertisers need to understand the ROI they receive from the channel in order to justify the price premium attached to prDOOH.

To invest more in prDOOH, marketers want to see better cost efficiency from the market (42%) and more tangible metrics to demonstrate prDOOH's value (38%)¹⁶. Furthermore, information on how to measure ROI (51%) and standards for prDOOH (56%) would help advertisers in Australia learn more about prDOOH¹⁷.



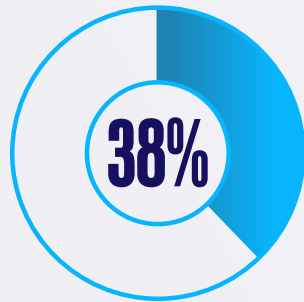
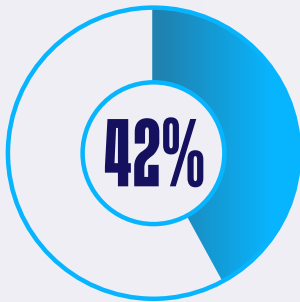
16. C8: Which of the following would you like to see in order to give programmatic digital out-of-home campaigns more value and make you invest more?

17. D4: Which, out of the following, would help you learn more about programmatic digital out-of-home advertising?

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?

MORE COST EFFICIENCY FROM THE MARKET

MORE TANGIBLE METRICS AROUND THE CHANNEL TO DEMONSTRATE VALUE



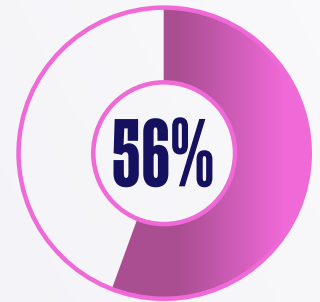
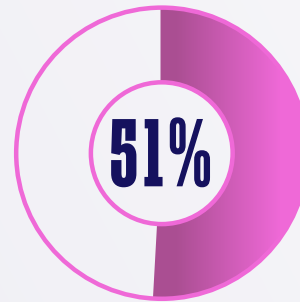
% WHO AGREE WITH STATEMENT

Source: C8/D4 Base size AU (200)

WHICH, OUT OF THE FOLLOWING, WOULD HELP YOU LEARN MORE ABOUT PROGRAMMATIC DIGITAL OUT-OF-HOME ADVERTISING?

INFORMATION ON HOW TO MEASURE ROI

STANDARDS FOR prDOOH



% WHO AGREE WITH STATEMENT

“Programmatic DOOH means better use of data to activate OOH campaigns: We now have the tools and technology in place to use data to enable dynamic content optimisation, and to utilise consistent data across multiple channels from a planning perspective”

JAMES LAMBERT, HEAD OF SIGHTLINE, PART OF GROUPM NEXUS



For more insights and to understand how Australia compares in the global prDOOH landscape, access the [VIOOH State of the Nation 2023 Global White paper](#).

SAMPLE PROFILE

VIOOH partnered with research and strategy agency, MTM, to survey 1,200 advertisers and agencies across the US, UK, Australia, Germany, France, and Spain. Participants in this research are either joint or sole decision maker for advertising within their business, work at an agency or advertisers; and have already purchased prDOOH in the past 12 months, are planning to purchase it in the next 12 months or are digital buyers open to purchasing it.

Below is a breakdown of Australian participants based on various factors.

PLEASE ESTIMATE YOUR ORGANISATION'S ANNUAL ADVERTISING BUDGET / BILLINGS AS OF 1ST JANUARY 2023



Under
\$AU1.5m



Between
\$AU1.5m and \$AU7m



Between
\$AU7m and \$AU28m



Between
\$AU28m and \$AU200m



Over
\$AU200m

WHAT COUNTRY DO YOU WORK IN?

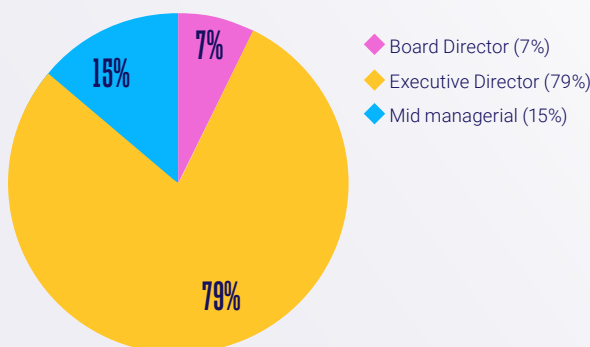


N=200

WHICH OF THE FOLLOWING BEST DESCRIBES THE SECTOR YOUR COMPANY / YOUR BIGGEST CLIENT IS IN?

Sector Net	Percentage
Retail, luxury, clothing, FMCG	27%
Finance, advertising, consulting	26%
Food, drink, hospitality	13%
Academic, gov, non-profit, healthcare	10%
Tech, telco	10%
Automotive, transport	6%
Entertainment, gambling	5%
Property, utilities	5%

WHICH OF THE FOLLOWING, IF ANY, BEST DESCRIBES YOU?



THINKING ABOUT YOUR ORGANISATION, WHICH ONE OF THE FOLLOWING BEST DESCRIBES IT?

