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Providing news and analysis on the Australian outdoor media industry

Public benefit of outdoor advertising quantified

Access Economics has delivered a comprehensive and independent analysis of the outdoor media industry's contribution to the Australian economy.

The work was commissioned by the OMA in September 2007 and based on a detailed survey of all members. Key findings of the study include:

- Outdoor advertising has directly funded public infrastructure valued at more than \$205 million, including 8,500 bus and tram shelters, 1061 bins, 575 park benches, 151 kiosks, 14 public toilets and 29 pedestrian road bridges throughout Australia.



- In the 2006/07 financial year, the industry spent a further \$13.3 million on bus and tram

shelter cleaning and maintenance.

- In the same year more than \$4.5 million was donated to charities either through direct funding or the provision of advertising space. Recipients included the Australian Red Cross, Salvation Army and the Royal Flying Doctor Service.



- The industry directly employs close to 900 people in Australia, with a further 600 full time jobs created as a result in related industries

The study confirmed that millions of dollars of public money has been saved as a direct result of the partnerships between outdoor media companies, local councils and government agencies.

This link between outdoor advertising and public benefit was again highlighted in 2007 through State Government reviews in New South Wales and Victoria.

The NSW review resulted in legislative amendments, including new provisions to permit outdoor advertising on motorways for which a public benefit test will be required.

The OMA has formed a partnership with the Planning Institute of Australia (PIA) to develop a more constructive dialogue with the planning community, including local councils.

This is necessary to help overcome some of the misconceptions about outdoor advertising, and to assist planners in understanding how the modern outdoor media industry works, including with the development of new technologies.

A full summary of the Access Economics report is available at the OMA website.

www.oma.org.au

Upcoming events

Marketing Committee Meeting:
4 February 2008

Regulatory Affairs Committee Meeting:
14 March 2008

Occupational Health and Safety Meeting:
11 February 2008

Board meeting:
19 February 2008

MOVE on track

The Measurement of Outdoor Visibility and Exposure (MOVE), the industry's new audience measurement system, is on track for launch in the second half of this year.

Work has intensified on the project's development with the focus now on completing the software component and applying the Visibility Adjusted Contact (VAC) which will help deliver the final measurement results.

MOVE will set a new benchmark for measuring media audiences in Australia by basing its results on the

"likelihood" of someone seeing an advertising campaign.

It will be the first outdoor audience measurement system globally to cover all industry formats, including shopping centre and airport interiors.

Testing of the 'live system' is expected to take place within the next few months.

Upgrades to the MOVE system will occur twice a year, allowing for changes to inventory, environment and population.

2007 a very good year for outdoor media

The Outdoor Media Industry ended the year 2007 on a high, reporting revenue growth of 12.3% on the previous year.

It was the fifth consecutive year of growth for the industry and well above previous forecasts.

The industry achieved \$427.7 million in net media revenue in 2007 following a strong final quarter of \$137.7 million – an increase of 16.1% over the same period in 2006.

OMA Chief Executive Officer Helen Willoughby said all sectors of the industry had performed well with the results by format as follows:

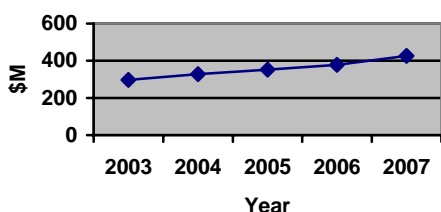
- Street furniture, including bus and tram shelters, retail and phone booths – **up 10.6%**
- Large format, including billboards, super sites and spectaculars – **up 12.6%**
- Transit, including advertising on buses, trams, taxis and railways – **up 17.5%**
- Posters, including 6 and 24 sheets – **up 4.6%**

"The OMA is now capturing more than 97 per cent of media revenue that is generated from outdoor advertising throughout Australia," Ms Willoughby said.

"With the support of our members and the independent consolidation of media revenue by KPMG, we have been able to accurately track and report the industry's growth across all formats."

Below is a graph outlining industry growth over the past five years.

Yearly Revenue Comparison



Out There

Rudd shuts down GCU

The Government Communications Unit (GCU), which coordinated advertising spend under the former Howard Government, will not continue under the new Rudd administration.

Instead, the Department of Finance and Deregulation will have a more direct role in overseeing expenditure on government advertising – highlighted as one of the areas where the budget will be cut this year.

The Special Minister of State, Senator John Faulkner, is responsible for advertising and marketing activities.

The Ministerial Committee for Government Communications – which saw Ministers signing off on advertising and public relations campaigns – has also been disbanded.



Right: One of the Federal Government campaigns that ran last year.

Farewell Phil McCall



Phil McCall, the OMA's senior policy officer, has been called back to the NSW Government, this time as the

Minister for Aging and Disability Services, Kristina Keneally's media adviser.

Phil has made a significant contribution during his time at the OMA, including representing the industry throughout the review of outdoor media regulations by the Victorian Government.

We wish him all the best in his new career, but won't miss the sunglasses.

Useful Links

Please use the following links to access details on other industry information:

The Advertising Federation of Australia
<http://www.afa.org.au/>

Media Federation of Australia
<http://www.mediafederation.org.au/mfa.aspx>

Australian Direct Marketing Association
<http://www.adma.com.au/asp/index.asp>

Australian Association of National Advertisers
<http://www.aana.com.au/>

Advertising Standards Bureau
www.adstandards.com.au

Outdoor Advertising Association of America
www.oaaa.org

Out of Home Marketing Association of Canada
www.omaccanada.ca

Outdoor Advertising Association of Great Britain
www.oaa.org.uk

Outdoor Advertising Association of South Africa
www.oaasa.com