thorndyke

DOOH Verification

MEDIA QUALITY REPORT - H1 ANZ

H1 2022

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Introduction

The DOOH market in Australia continues to strengthen post pandemic with 25.5% increase on net media revenue for Q1 2022, reporting $228 million, up from $182 million for the same quarter in 2021.

However we entered the second quarter of this year with several major events and economic headwinds on the horizon in Australia. In May 2022, there was a change in Federal Government and then some weeks later, the financial year-end in June. The backdrop to these events was a looming recession and a world wide global downturn reflected in the markets.

We also saw the new trading metric Share of Time (SOT) introduced and become adopted widely by both the media owners and the agency side. As well as looking at how Q2 fared versus the first quarter, we're also taking a deeper look at the new Share of Time metric and what this means for the media owners delivering against a new currency.

thorndyke verification measures hundreds of millions of impressions a month across the market. This report pulls together insights from the ANZ market through our verification services and offers an industry perspective across the market in this region.

What's New?

NEW METRICS - SHARE OF TIME

Thorndyke was first to market with a media quality report for DOOH focused on the first quarter of 2022: State of the Nation Q1 - 2022.

In this half yearly focussed report, we're taking a look at the new metric for trading DOOH media in Australia; Share of Time and what impact that has on verification and media owners.

In global news, the MRC announced they were working on a set of standards for OOH media. A standard for public comment was due in the first quarter of 2022 and will likely supplement the Digital Place-Based Audience Measurement Standards that were published in 2017.

Viewability

Unlike desktop, the entire browser window is dedicated to housing the ad creative. Typically creatives tend to be full screen and almost always 100% in view. Using the Intersection Observer method which is an MRC accredited approach to measuring for viewability, we've been able to see that DOOH ad creatives reach 100% viewability, more than 99% of the time.

Share of Time

The measure (percentage share) of display time received out of the total display time, including content, other commercial arrangements and programmatic, over a defined and agreed buying period and expressed as a percentage. In Australia, SOT is the defacto currency for DOOH bookings and is sold in increments of 5%.

Offplan

These are impressions that were outside the original booking targeting criteria. This would include impressions delivered outside the time window; day or time of day. Location including wrong location such as city or state, or for panel buys, impressions on screens that weren't included in the original plan.

Bonus inc. guaranteed, STA

Impressions delivered that are in addition to the original booking. Guaranteed bonus is typically part of the media booking. Only impressions that met the campaign targeting parameters are included in this calculation.

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Share of Time

The new Share of Time (SOT) metric was developed and agreed between the Outdoor Media Association (OMA) of Australia and the Outdoor Futures Committee (OFC) which is made up of representatives from the major agency holding groups in Australia.

It has now been agreed that DOOH media will be sold in SOT increments of 5% per panel/campaign. Only agreed in Q1 of 2022, the SOT metric has slowly rolled out and in the last half of Q2 we saw that the majority of campaigns were sold on the SOT metric.

We've examined media owner delivery of time and whether they are having to over deliver to meet the SOT increments of 5%. And how this looks against loop lengths that may not be a multiple of 5.

65% of all media plans in Q2 were found to have SOT targets correctly itemized by the media owners. The remaining media plans were calculated against the previous Share of Voice metric and not in 5% increments.

Whilst agencies and media owners are still transitioning to the new SOT metric, we've been able to take a first look at some of the early results of campaigns delivered against the new metric. We've outlined how this looks against the common OMA format types. We wanted to understand what the new SOT metric means in terms of ad delivery, exposure and what the impact is, if any, to media owners in terms of campaign delivery required to meet the new goal.

It should be observed that the SOT insights below don't represent all of Q2 campaigns - only those campaigns that had SOT correctly itemized. As all campaigns eventually migrate to planning against SOT, we should expect to see this number evolve towards the end of this year.

Share of Time Analysis
Airport

OMA ENVIRONMENT	BOOKED SOT	ACTUAL SOT	HOURS +/-
AIRPORT	10.00%	10.18% *	48

Airport screens are designed to capture an affluent or business traveler as they travel for work or leisure. In Q2 we saw that SOT bookings for Airport formats were met with just 48 hrs of time delivered over and above the booked SOT target of 10%.

** the numbers above are derived only from campaigns that thorndyke is tracking and are not representative of all panel data.*

Share of Time Analysis
Billboards

OMA ENVIRONMENT	BOOKED SOT	ACTUAL SOT	HOURS +/-
BILLBOARDS	5.00%	9.73% *	455
	10.00%	10.70% *	1078
	20.00%	23.75% *	2

Billboard formats are traditionally high impact, branding campaigns with screens located in iconic locations. Our data for Q2 showed that SOT campaign bookings hit their target but also delivered in excess of the hours required. For the 5% target, the SOT metric was nearly double and for the 10% SOT target, more than 1000 additional hours were delivered.

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Share of Time Analysis
Retail

OMA ENVIRONMENT	BOOKED SOT	ACTUAL SOT	HOURS +/-
RETAIL	10.00%	11.67% *	402
	15.00%	18.70% *	271

Retail screens reach shoppers in and around retail centers. In this category we saw delivered SOT exceeded booked targets in both hours as well as target percentage booked.

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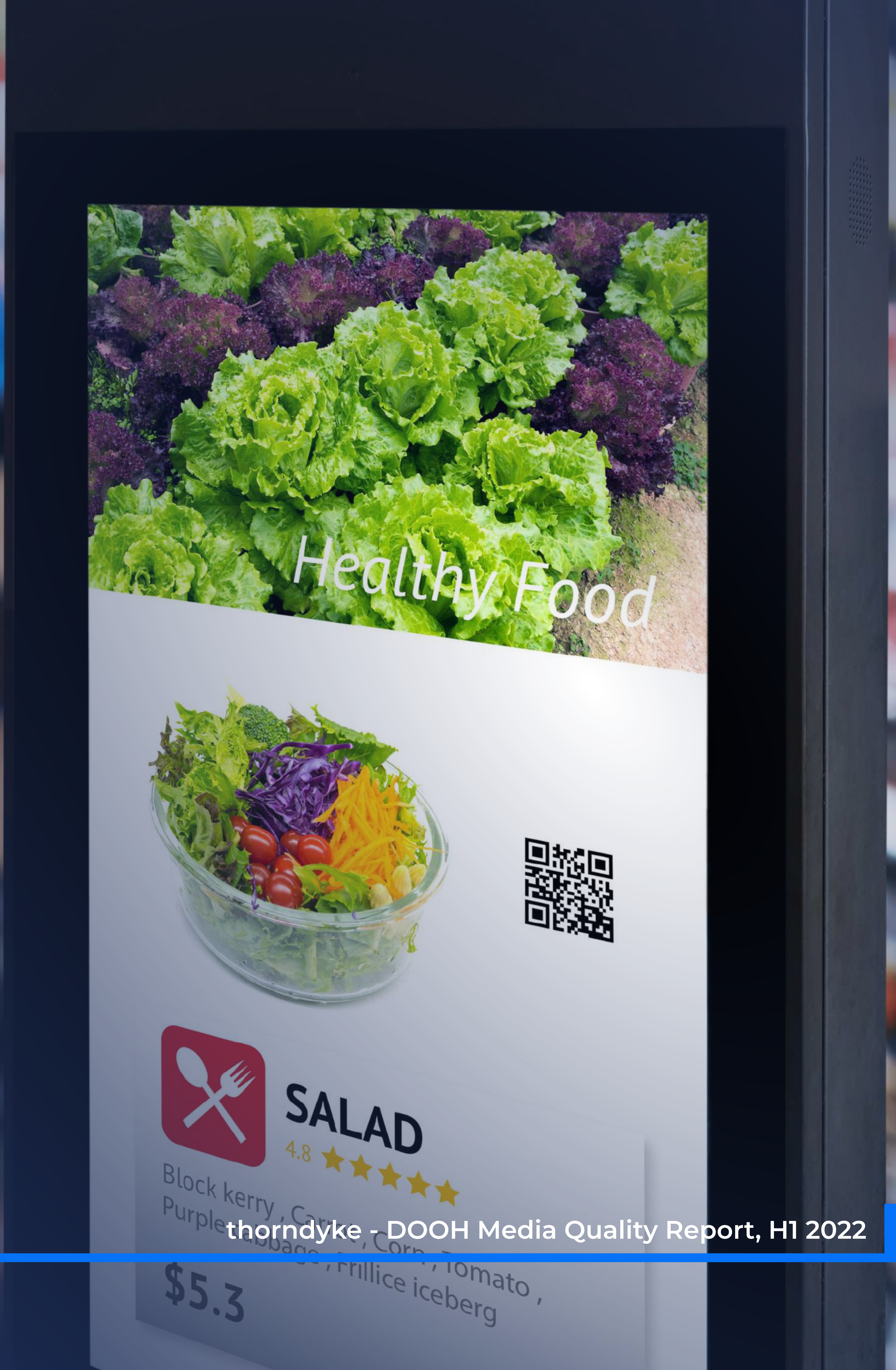

Share of Time Analysis
Street Furniture

OMA ENVIRONMENT	BOOKED SOT	ACTUAL SOT	HOURS +/-
STREET FURNITURE	5.00%	15.78% *	380
	15.00%	15.24% *	1139

Street Furniture screens are those found on roadside locations such as bus shelters. In this category, SOT was over delivered for campaigns targeting a 5% increment and for 15% bookings, the target was reached with additional hours of 1139 hours.

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Share of Time Analysis
Transport

OMA ENVIRONMENT	BOOKED SOT	ACTUAL SOT	HOURS +/-
TRANSPORT	5.00%	7.05% *	34
	10.00%	10.04% *	2
	15.00%	18.61% *	3

The Transport category includes screens around railway stations reaching commuters to and from work. Our data showed that target SOT was comfortably met across with only a slight overdelivery of hours.

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Delivery

Our data showed significant impression volumes. However not all of these were within the targeting criteria of the campaign.

Off Plan impressions are impressions that were outside the targeting criteria of the campaign - more about this is explained in the next section.

CAMPAIGN VOLUMES

ACTUAL IMPRESSIONS VS BOOKED IMPRESSIONS

206%	168%
Q1 2022	Q2 2022

The percentages above represent total impressions delivered, over and above what was required to meet the campaign goal. If, for example, there were 100 impressions booked and 100 impressions delivered, then this would be expressed as 100%.

In Q1, there were more than double impressions delivered versus what was booked (206%). In the second quarter of 2022, total impressions delivered for campaigns dropped to 168% compared to the first quarter.

Delivery

Over deliveries are impressions that exceeded what was booked but were within the targeting criteria. We saw that on average, campaigns over delivered by 2% in Q2.

CAMPAIGN OVERDELIVERY

116%	102%
Q1 2022	Q2 2022

These percentages represent total impressions delivered that were within the campaign targeting criteria. Where impressions are delivered exactly within the targeting criteria, these percentages represent an overdelivery or bonus.

In Q2 2022, campaign overdelivery was minimal with campaigns reaching 102% of their required target.

Total Impression Analysis

Off Plan vs On Plan

Q2 2022 saw a 5% reduction in the volume of impressions that were delivered outside the targeting criteria for campaigns.

44%

Q1 2022

39%

-5%

Q2 2022

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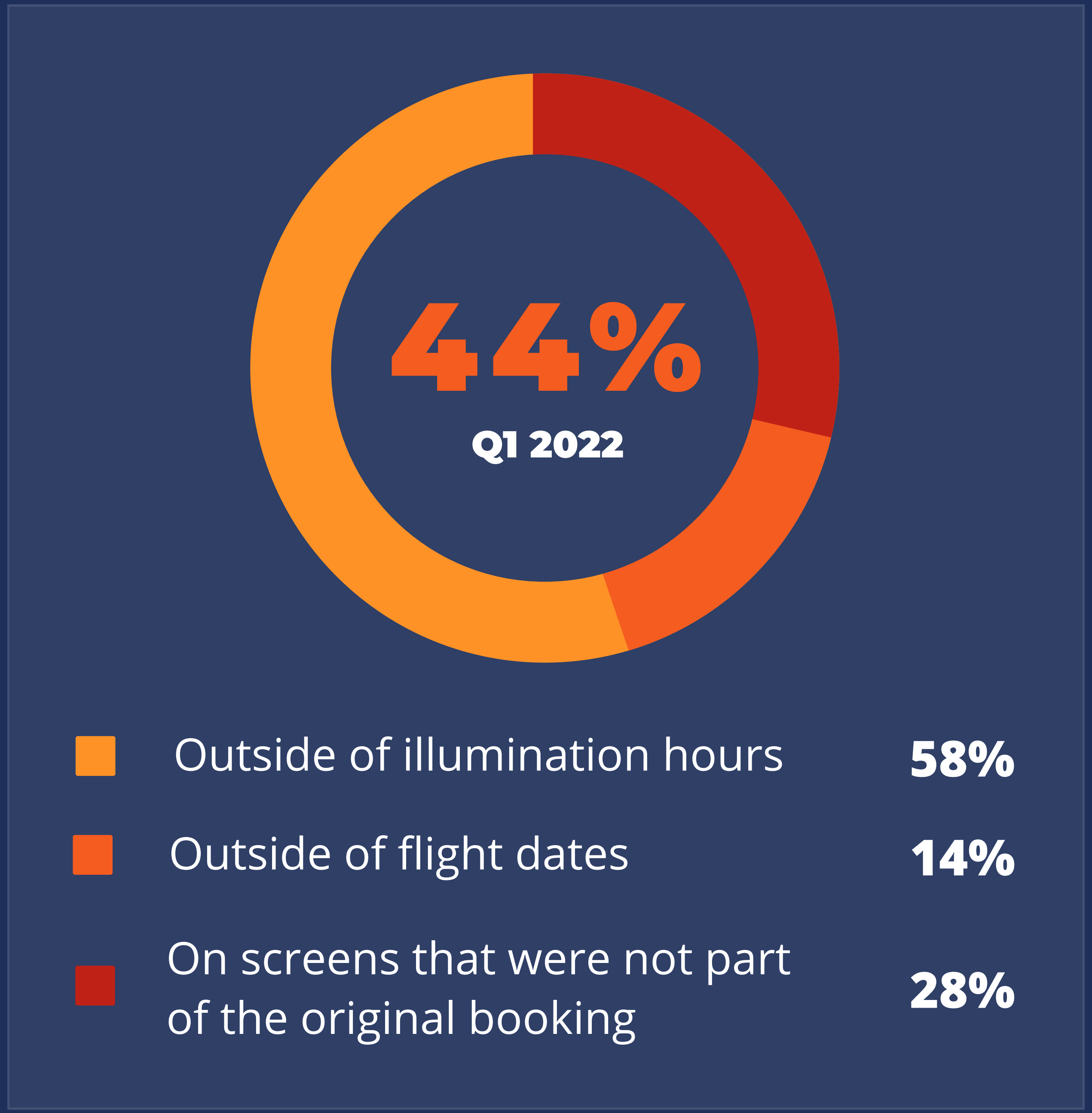
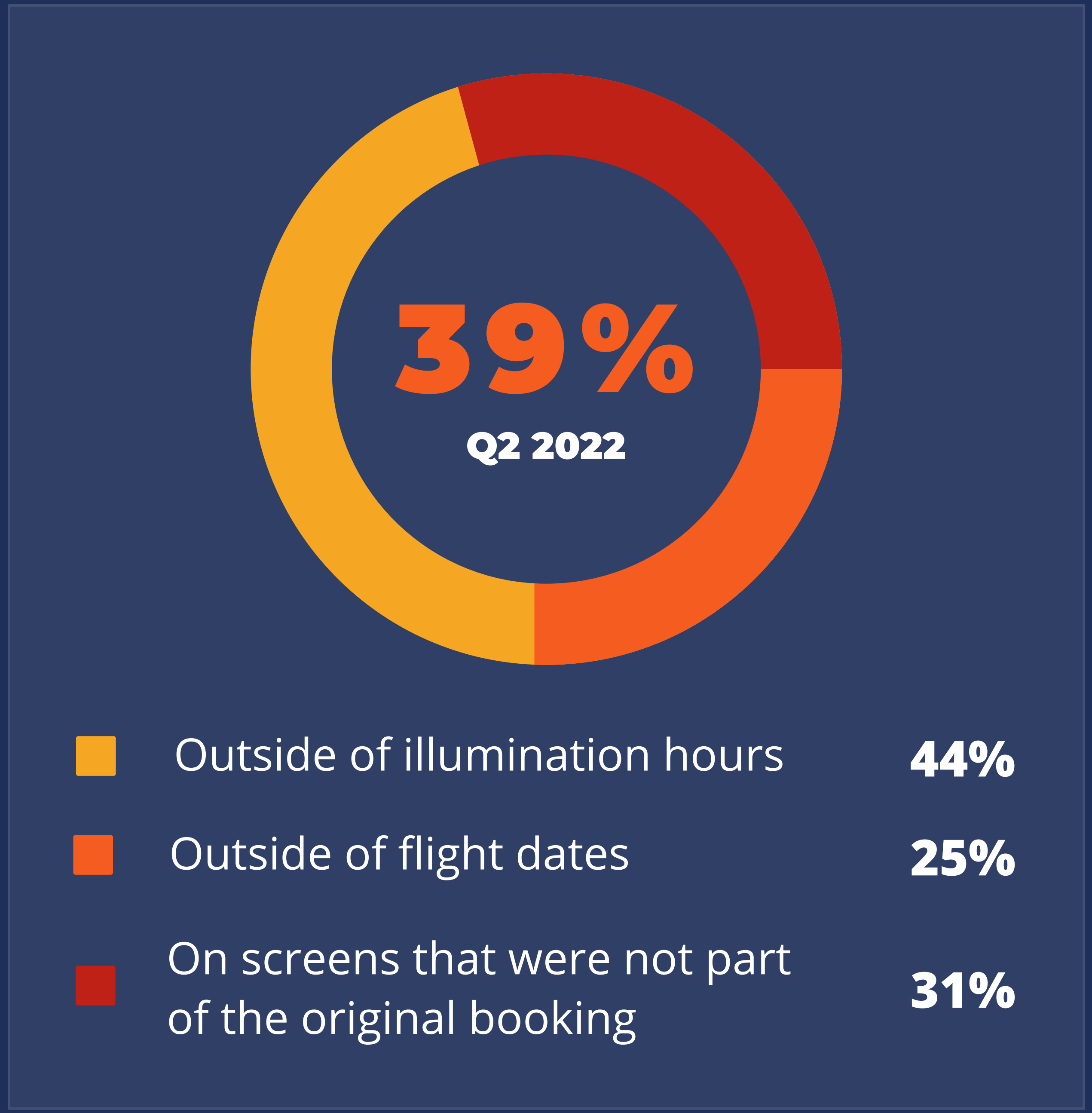
Off Plan Analysis

Calculating media value is an essential part of DOOH buys. Media buyers often talk about media value which incorporates bonus impressions that are bundled into the campaign.

This is a way of adding extra value when availability allows for it. These impressions are often then mapped to media cost. However that extra media value should only include impressions that met the original targeting criteria as per the booking. Actual impressions delivered outside of the target criteria e.g. wrong panel or package, wrong day or time, wrong location are classified as off plan.

OFF PLAN IMPRESSION BREAKDOWN





In Q2 off plan impressions were 5% lower than in Q1 at 39%. Impressions outside illumination hours dropped from 58% to 44% however impressions that were outside of the targeted dates and panels that weren't on the original media plan increased from 28% to 32%.

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Summary

We predict DOOH as one of the next major growth opportunities as programmatic and 3rd party measurement become standard. Australia currently leads the way with advanced buyers who already verify digital and online activity and want to expand that to DOOH. That coupled with media owners who are embracing verification and see it as a way to continue to build trust and transparency in the medium.

There is still work to be done. The early days of the internet gave rise to infrastructure that allowed for advertising, independent measure using JS and pixels. Supporting verification and other tags for tracking is still new and introduces new processes for the media owners. Programmatic is also driving change and bringing the medium into the digital buying world of trading desks - and with that reporting metrics inline with digital. For programmatic transparency to flourish, we'll need the specialist DOOH DSPs and SSPs to support 3rd party tags as the omnichannel DSPs do in online.

Overall the outlook is positive and the early moves of the market in Australia are getting the attention of other markets including the UK and the US.

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About thorndyke

The team behind thorndyke has been working in verification for the past 10 years across digital, online and mobile.

We're huge believers in independent measurement and are excited about the DOOH opportunity. We're a team that's built and delivered measurement and verification products for the past 10 years.

And as DOOH is one of the last digital mediums to be measured, we're excited about delivering better campaign measurement and centralised campaign reporting for marketers.

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