

A new golden age of OOH media in Africa

By [Greg Benatar](#)

7 Jan 2019

A much-needed trend is for people to stop talking about Africa in the collective. Gone should be the days that anything north of the Limpopo is grouped into one. Africa's sheer size, diversity and differing levels of income and development mean that not even continent-macro projections are meaningful.



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More so for media, and further so for Out of Home (OOH). Whilst some countries embark on the cleaning up of plethoric roadside clutter, others, unyielding to corruption, defy their own legislation and create havoc with the urban landscape and reduce the media's intrinsic value proposition.

It is probably more prudent to consider OOH industry-macro trends and how this may impact the 54 nations that make up our developing continent.

What we do know is that from 1995 – 2016, print, magazine and radio has been in decline. TV has shown some gains, but even TV is expected to drop if cyclical events like FIFA's world cup and elections are not factored in. No traditional form of media has grown like OOH.

This is not projected to change as a new golden age of OOH is upon us. The reason for this growth is that the OOH industry has shown itself to be internet proof over the last 10 years of this medium's incredible rise by being a part of, and being needed, by the online world.

The big recipients of the shifting media spend patterns from digital growth are predominantly the FAANG's and BAT's (acronyms for the US and Chinese Facebook, Apple, Amazon, Netflix, Google, Baidu, Alibaba and Tencent). What is interesting is that these internet titans push online ads, but then choose to spend this income on Out of Home advertising.

Top spenders

In 2017 in the US, Apple, Google, Amazon, and Netflix made the top 10 spenders and users of OOH. This is driving growth in one of the oldest forms of marketing and is one reason why the category is the only traditional channel expected to grow. The conviction that these tech companies have in OOH is so strong, that Netflix concluded the purchase of billboards owned by OOH company Regency in West Hollywood in the second quarter of 2018.

The idea behind the purchase was to lock up prime advertising space for their own use. This phenomenon is not particular to the US alone. Asia's tech monolith, Alibaba, purchased a minority stake in Chinese OOH Company, Focus Media, for a notable price of USD\$1.43 billion. Possibly this is the case, because according to Nielsen, OOH drives more online activity per ad dollar spent than any other traditional media.

OOH is 382% more effective than TV, 200% more effective than print, and 63% more effective than radio in driving consumers online.

ROI will however continue to have a strong share of voice in media schedules and whilst various systems are being developed to accurately calculate reach and frequency for OOH, these will not be perfected for Africa for some years to come. In spite of this, seasoned media buyers understand the growing importance of OOH in Africa which continues to drive the medium. In the largest cities in Africa, fast-growing populations drive longer commute times.

More time on unpredictable roads for our commuters, (unlike the predictability of the developed world's public transport

commute), mean that our commuters need to be more aware of their surroundings which results on the increased consumption of roadside media.

In addition, new, mostly online media options that are available to brands have increased the value of OOH which is seen as a less costly method to target certain income groups in geo-located specific areas. The simplicity of the OOH offering will continue to improve its share of media spend in the increasingly complex world where ad-blockers are real in Africa.

Africa

Whilst globally, Digital OOH (DOOH) is another reason for the rise of the medium, this in 2019 will not be as significant in Africa. Lower OOH rates in most parts of Africa than South Africa discourage even the most enthusiastic entrepreneurs from investing heavily in digital in the face of struggling African currencies which show little sign of improvement over the medium term.

In the US and Europe, outdoor ads will increasingly be bought like online ones, based on audience and views as well as location, however , the buzzwords of “programmatic OOH through mobile geo-location data”, will be more bandied around steel and glass boardrooms than used in the African markets in 2019.

In Africa, media buying by company procurement departments, rather than trained media specialists is a growing trend across all media formats which will continue to reduce efficacy of media across the board.

Out of Home in Africa will continue to be buoyed by the rise of local African brands which continue to take market share from large foreign multinationals. Having said this, most countries in Africa, despite growing GDP rates in 2019, will continue to wrestle with reduced budgets and fiscal tightening on a continent that is still poised for growth and not yet emerged.

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