

Impact of Covid on out-of-home

By [Dee Cindi](#), issued by [Dentsu](#)

14 Jul 2021

*The ramifications and knock-on effect of 2020 and the Covid-19 pandemic are huge for OOH, says **Dee Cindi**, OOH business unit director at Redstar.*

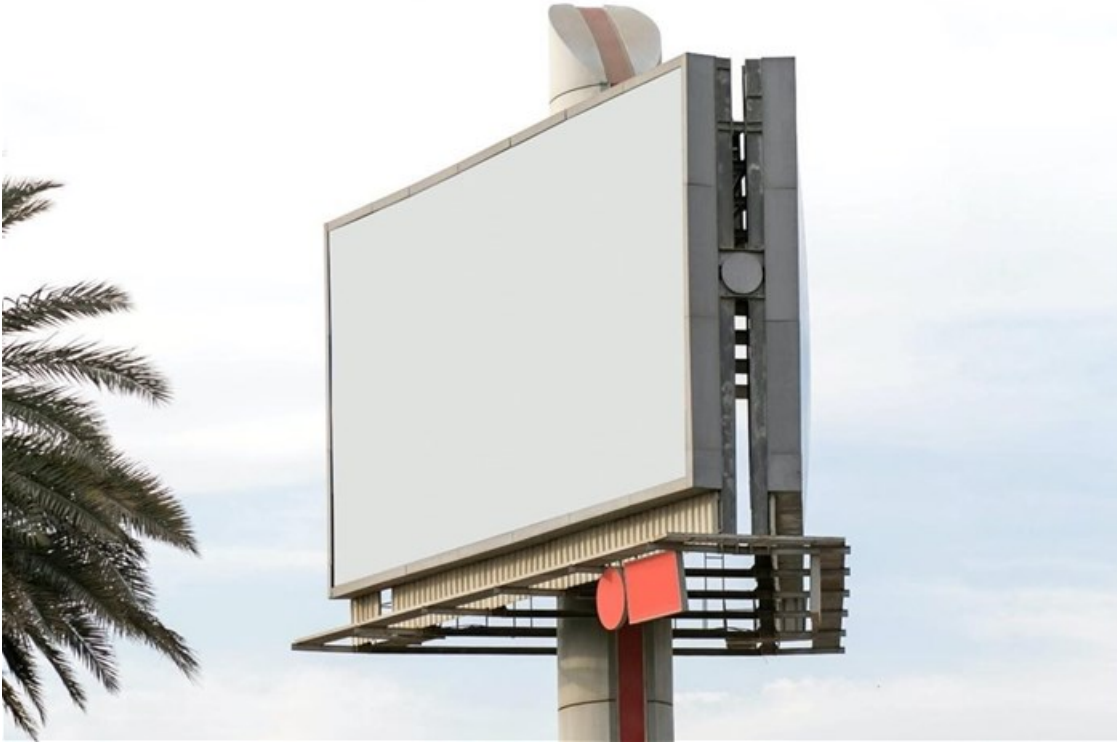


Image credit: Kate Trysh via Unsplash

2020 started out as a great year with all our plans and strategies in place in both our professional and personal lives, we were ready to plug and play and proceed with the year that lay ahead. There were high hopes for what was dubbed as '20 plenty' (haha), but little did we know the '20 plenty' of challenges and disappointment we would encounter.

Before I tell you about how it all went south for OOH, let's recap on the role of OOH in the media industry. Simply put, out of home (OOH) is a form of advertising that can be found outside of a consumer's home. It can be used as a support medium, lead medium or in isolation depending on the brand's objectives.

OOH is used to drive brand messaging and to create awareness, increase brand reach and frequency, ensuring that the brand remains top of mind with its consumers. The only medium that can be always on and cannot be skipped or fast-forwarded.

In the past, OOH impressions have been measured by using traffic counts and daily effective circulation to estimate the total number of unique consumers within a target audience who are exposed to an advertisement for a product or service, which is called the reach.

Within OOH, there are also different types of OOH mix for example, traditional billboards, roadside digital and large impact structures just to name a few.



As the number of infections spread across the globe, so did fear and uncertainty, and as the world went into a frenzy with panic buying sanitisers, toilet paper and bottled water, advertisers pulled their spend on OOH.

The situation was of course further exacerbated by extended lockdown periods as people stayed indoors resulting in no traffic or reach on the roads which further fuelled clients' motivation to stop spending.

Here are some key changes:

- Traffic operation rate is at **83%**.
 - A 14% decrease in movement due to the latest lockdown restrictions.
 - Commuting is still higher than Level 5 to 3.1.
- We are seeing similar Commuter figures as in the Level 3.1-3.2 (July – Aug 2020)
- Residential movement is still higher than the base, tracking at +18%.
- The Ave congestion level among the 4 main CBD's is tracking on average at 18% congestion levels
 - With an average decrease of 20%.

(Data source: Google Mobility reports)

And, of course, it does not end there. The ramifications are endless/the knock-on effect was huge; budget cuts meant media agencies negotiated hard on deferring cancellations, resulting in retrenchments, salary cuts and property losses across the industry, the list became endless on how south all this went.

By December 2020, the OOH industry was feeling as though there was no certainty or relevance to the medium's existence.

Thankfully, there is a glimmer of hope as 2021 rolled around and we are seeing a significant growth in digital OOH campaigns. The OOH medium offers flexibility of messaging, adaptation to changing circumstances and is the only medium that can be plugged, played and paused as and when needed at no extra cost to brands. This is now becoming the preferred medium for most for those very reasons, meaning that the static OOH remains under strain to some extent. Most brands have shifted dramatically from using static OOH as the state of the pandemic remains unpredictable to date.

Here's some what the change started looking like:

- Commuter figures are tracking at 30% compared to the base period
 - The biggest uplift yet in commuter figures since the start of lockdown
 - 9% uplift from Level 3 (V2.1)
- 780,000 commuters for March 2021 across all stations.
 - Achieving nearly half of the Mar 2020 commuter figures, before the effects of Lockdown came into play*
 - Indicating that South Africans are travelling again for work and leisure.

(Data source: Google Mobility reports)

Since the majority of brands are still hesitant to return to advertising on static OOH as the state of the pandemic remains currently unpredictable, there are brands that are using this opportunity to seize the inventory that their competitors have held on for so long and claim the space for themselves.

The state of OOH remains unpredictable as some see it as an opportunity to grow their brands in this space and others want to wait and see what the future holds.

Either way, even though OOH is the oldest form of advertising, in my opinion and observation, it will continue to grow steadily over the next few years especially when it comes to the DOOH, with no indication of slowing down, uninterrupted when driving your message.

“
- Roy is about it, the light in the eyes along the way, choosing to keep moving forward, and savouring the journey.
”

About the author



Currently OOH business unit director for Dentsu Redstar, Dee Cindi is an out of home (OOH) media expert who started his career in the media industry as an outdoor auditor in 2010.

After spending three years filling various positions in sales and management in the retail space, he found his feet in a lucrative media career.

In his previous role as an OOH media strategist planner, Cindi played a tactical role in providing effective and qualitative OOH insights, developing appropriate implementation plans and overseeing the execution thereof for successful OOH campaigns.

His experience gained in retail, media auditing along with his managerial talents have paved the way for him to be able to efficiently manage key accounts in various categories such as FMCG, motoring, QSR and alcohol.

- " The new frontier: AI-driven marketing in the digital age 30 Apr 2024
- " Chantel Harrison elevates to managing director role at iProspect South Africa 19 Apr 2024
- " iProspect dentsu South Africa triumphs at South Africa Smarties Gala Awards Ceremony 18 Apr 2024
- " Does anyone know what content is any more? 16 Apr 2024
- " Cannes Lions has unveiled its latest cohort 11 Apr 2024

Dentsu

dentsu

Dentsu is the network designed for what's next, helping clients predict and plan for disruptive future opportunities in the sustainable economy. Taking a people-cantered approach to business transformation, dentsu combines Japanese innovation with a diverse, global perspective to drive client growth and to shape society.

[Profile](#) | [News](#) | [Contact](#) | [Twitter](#) | [Facebook](#) | [RSS Feed](#)

For more, visit: <https://www.bizcommunity.com>