



How to generate more DOOH revenue through Optimization

Optimization is about generating maximum revenue from the space you have to sell. Theoretically, it's not a new concept to Out-of-Home. Media owners have always worked to schedule campaigns that hit advertiser goals with the best use of their space. But just as programmatic and automated trading have empowered media owners to sell more complex customer-focused solutions, sophisticated and data-driven Optimization tools are now available to help decide in real-time which campaign to play next for maximum yield from every screen. Real-time Optimization is about making those complex campaigns work as well for media owners as they do for advertisers.

In this article, we'll dig deeper into what Optimization is and what it means in the context of modern DOOH sales, explore the raft of revenue generating opportunities it makes available to media owners, then take a practical look at the way Optimization can be delivered within different business set-ups to make complex campaigns work as well for media owners as they do for advertisers.

Optimization in modern DOOH sales

When it comes to selling Out of Home advertising, the aim for media owners is to optimize the way they deliver an advertiser's campaign goals to be as efficient as possible. This means a great result for the brand, while leaving media owners with more space to sell and more potential revenue to generate. In the days when classic posters and two-week booking cycles dominated schedules, it was simple for sales teams to use a spreadsheet or a basic CMS to accept bookings and manipulate schedules for maximum profitability. This kind of manual Optimization served the Out of Home industry well.

But as classic inventory is converted to digital screens, the sophistication and complexity of Out of Home trading has increased. No longer tied to two-week booking cycles, and with the ability to ingest and use first and third party data, we're seeing a shift towards more data-driven, targeted and high-impact OOH advertising than ever before. DOOH can be sold in loops, more granular fixed-time or fixed-space slots, or target specific audiences with a number of plays, impressions or impacts. DOOH can still be sold manually, but seller and buyer systems can also be connected to allow guaranteed bookings to be placed automatically. Going even further, purchasing can be bid on in real-time for full programmatic campaigns and executed according to set triggers right up until the moment of play.

Media sellers and buyers are reporting brand new revenue coming into OOH through these new channels which has the industry excited. But it also introduces a huge amount of complexity for media owners trying to book and schedule campaigns. That's because this level of granularity infinitely multiplies the number of availability checks, line item reservations and bookings possible within a media owner's schedule. Further still, when it comes to how they want to purchase OOH, brands and advertisers will have different sets of data, preferences and campaign goals. They'll be coming from different industries with different parameters and expectations. Executing just one of these new buying methodologies can be challenging, but mixing them together manually in a way that's profitable for media owners is even harder.

The good news is that the tools for media owners to not only manage this complexity but to accept, combine and fully optimize every type of revenue stream are available now. In the next section we'll look at what an Optimization Engine is, and the opportunities it offers.

The Optimization opportunities

It's becoming pretty clear that handling audience-led and programmatic buying using a spreadsheet or a basic CMS is near impossible. But by powering up a CMS with an Optimization Engine, media owners can not only make embracing every type of revenue simple, but fully optimized to generate the most opportunity from every space they sell.

The easiest way to describe the benefits of an Optimization Engine is to liken it to something we're all familiar with: planning a trip before and after the advent of apps like Google Maps and Waze. Previously, we relied on a paper map or past experience to get from A to B. Like traditional OOH scheduling, just a few simple inputs were needed to build a route – or a schedule – well before you headed off on your journey. Whether it's navigation or OOH scheduling, technically speaking, it's simple to do.

While we may romanticise those simpler days, missed opportunities abound. If you'd known the weather was about to turn, you might have packed an umbrella. Knowing there were delays for roadworks or traffic on your route might have prompted you to go another way or even take the train. An alert about a schedule change might have left you time to finish your breakfast at home, rather than standing endlessly on the station platform drinking a burnt coffee in the rain. Sure you might have made it to your destination, but was it the best and most efficient use of your precious time?

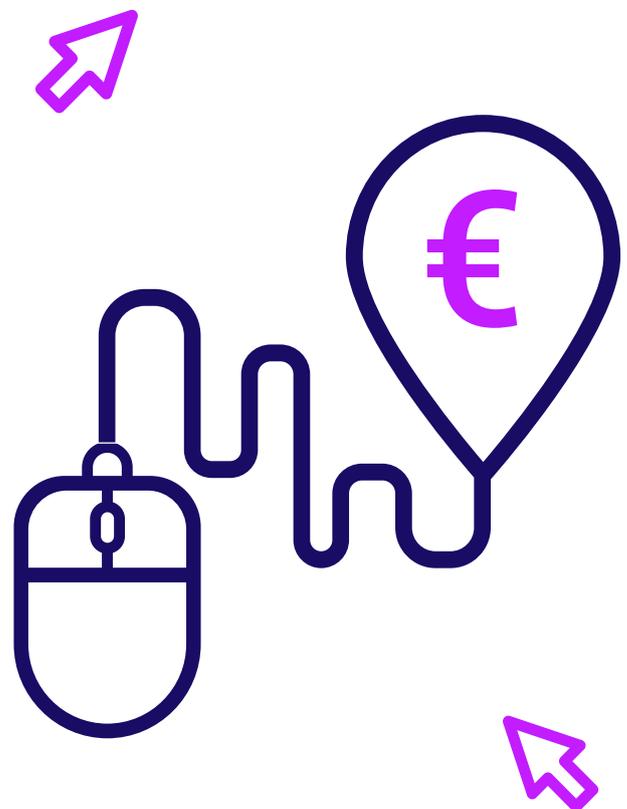
In this way, Waze and Google Maps have revolutionized the way we travel. By integrating live data about traffic, roadworks, weather and alternative transport options, they help us calculate the best and most efficient route at any given time with the touch of a button. But it's even better than that. Armed with this live data and the preferences you've saved already – like your office location or that you always prefer to drive – these apps always stay one step ahead. They are constantly checking, responding and re-routing you – and thousands of other drivers – onto the most efficient path for everyone to reach their destination (even when you find yourself off track).

It's this kind of intelligence that an Optimization Engine can bring to the way we plan campaigns and schedule Out-of-Home. An Optimization Engine powers up your CMS with the ability to ingest any data source. Whether that's something as simple as the weather or more interesting like supermarket stock levels triggering ads for fresh products that are about to expire. Or live audience modelling from mobile or transit data. Combining that data with your pre-set commercial preferences, an Optimization Engine constantly checks, responds and reschedules your bookings, across every screen in your inventory, in real-time. Like Waze, constantly rerouting us onto the most efficient path, an Optimization Engine will keep shuffling

your flexible campaign schedules around your guaranteed ones, even with programmatic campaigns coming in right up until the moment of play. Its mission? To ensure you accurately hit every campaign goal with no waste, while getting the most revenue, yield and use of every space from every moment on every screen, with much less work.

Optimization also allows you to think and sell flexibly. Impression-based buys aren't just for programmatic trading. Plays aren't just for traditional buys. With support from an Optimization Engine you can sell an impression based campaign to anyone that wants one. Conversely, you should be able to sell a play-based campaign programmatically. It's all possible and made simple.

This might all feel like the next frontier for OOH, but the good news is that we're already there. Next up we'll look at what you need to take advantage of these opportunities (spoiler alert – it's simpler than you think!).



How to Optimize your OOH business

In order to accept revenue from different places using different methodologies, you need an Optimization Engine which makes it possible to accept, mix together and deliver campaigns taking into account your own commercial rules for each buyer.

In order to implement this, there are a few requirements:

1. You'll need a Content Management System (CMS)

An Optimization Engine cannot efficiently work with a spreadsheet so if you are still working on Excel then you will need to migrate to a Content Management System. A good Optimization supplier should be able to work with most CMS' so the great news is you won't necessarily need to change your existing set-up if you are already working with one.

2. It should be cloud-hosted

From increased security to storage, there are lots of benefits to a cloud-hosted CMS. From the perspective of Optimization, being cloud-hosted means it is fully internet connected and 'live' at all times. This is essential for dynamic and flexible scheduling.

3. Your setup should be data connected

In order to use the full benefits of Optimization, you will need to have a feed of data into your system. This might be as simple as a CSV upload or more advanced like a live API connection.

4. Know your commercial rules

Commercial rules for each of your buyers can be added to an Optimization Engine in order to weigh their priority against others.

What you don't need for Optimization

1. You don't need to have it all figured out

You might not be ready to accept certain types of buys. You might not want to apply these techniques over your whole schedule – opting instead to allocate certain booking types to a fixed slot or period in your schedule. A good Optimization supplier will be flexible enough to deliver what you need.

2. To change your complete system setup

A good Optimization supplier should be able to work with your current systems. For example, an Optimization Engine can simply ad-serve into any player supporting HTML5 or power up any CMS that meets the requirements above.

Optimization is the next evolution for OOH media owners. Having made heavy capital investments converting classic sites to digital screens, Optimization offers the opportunity to unlock their full revenue-generating potential and make flexible, data-driven campaigns work as well for media owners as they do for buyers and advertisers. No matter what stage of digital transformation you've reached, the tools to generate maximum yield and revenue from every space you sell are available now.

The DPAA recommends LDSK as an Optimization Partner for Media Owners and Retailers. Whether you have a small number of screens or a large network, LDSK can tailor their solutions to suit your business and operate in most markets. Find out more about LDSK at www.ldsk.io