



CATÓLICA
LISBON
SCHOOL OF BUSINESS & ECONOMICS

JCDecaux

Strategies for Out-Of-Home Advertising to
Integrate Mobile Devices Usage

by

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17th June 2013

Dissertation submitted in partial fulfillment of requirements for the degree of MSc in Business
Administration, at the Universidade Católica Portuguesa

Abstract

Dissertation Title: Strategies for Out-of-Home Advertising to Integrate Mobile Devices Usage

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JCDecaux is one of the leading Out-of-Home advertising companies worldwide. Founded in 1964, JCDecaux business has been running over 49 years, being a pioneer and source of innovation in this industry. Out-of-Home advertising keeps on evolving alongside with the audience they surround, adapting to new behaviors, trends and consumer patterns.

This dissertation provides an overview on Out-of-Home advertising industry, an analysis focused on marketing techniques used that involve smart devices and social media and a study on how JCDecaux expansion and innovation strategies steered to its success of high revenue levels, global presence and market share. Standard measurement and panel ratings is of the utmost interest of all players in the market, yet only few initiatives have engaged in developing and adopting such systems without a general understanding. Over the last decade, smart devices have boomed, translated in high penetration rates in several countries, changing consumer's habits and behaviors and how they interact out of home. New trends represent innovation opportunity for this industry as advertisers are turning to new technologies and social media interactivity in order to reach and engage the consumer with the brands.

This work aims to explore the relevance of new technologies and marketing tools for the Out-of-Home advertising industry by benchmarking current solutions and discussing opportunities. Furthermore, an analysis on how consumers perceive outdoor advertising and on how they are motivated to interact with panels was conducted via an online survey to Out-of-Home audience. Finally, JCDecaux's case study allows an overview on the innovation vision and strategy of Portugal's subsidiary that juxtaposes the audience attitudes towards outdoor advertising and interactive features.

Keywords: *Interactive Marketing, Out-of-Home Advertising, Smart Devices, Technology Innovation*

Acknowledgements

I would like to take the opportunity to acknowledge and express my appreciation to everyone that was directly and indirectly involved in my thesis. In the first place, I would like to thank my dissertation advisor Prof. Dr. Pedro Celeste for his support and supervision throughout the process and for his network that facilitated the interviews conducted.

JCDecaux Portugal managers and collaborators, particularly Ms. Teixeira Deusdado, Innovate Manager and Ms. Charrão, Commercial Manager, to whom I am grateful for the time dispended and the crucial insights provided, which contributed immensely to the case study developed.

I would like to acknowledge my friends and family for the support provided that motivated me during the writing process. Finally, I want to thank all participants that engaged in the online survey and focus group performed, enabling my research methods and discussion.

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List of Vocabulary

- VAI – Visibility Adjusted Indices
- DOT – Department of Transportation (U.S.)
- DEC – Daily Effective Circulation

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1. Introduction

Out-of-Home advertising is the advertising type that communicates with audiences outside their homes. It is a passive medium that reaches hundreds of millions consumers all over the world (JCDecaux.com), from big urban centers to small cities, that grants companies a wide, diverse, international and segmentable exposure. Outdoor advertising remains, however, one of the least researched of any mass medium (Katz 2003) and the academic research on outdoor advertising recall predates the industry's many technological advances (Osbourne & Coleman 2008).

The average consumer is exposed to over 1,000 commercial messages a day (Gambetti 2010). Besides the visual competition from other Out-of-Home advertising messages, this media is also affected by urban distractions, so intertwined with the consumer daily routine and on their sensorial perceptions (Wilson & Till 2011). People are progressively becoming dependent on handheld devices that draw the attention to mobile screens. Losing presence in the audience's environment is one of the main threats to the Out-of-Home advertising business. Inattention toward outdoor ads pushes advertising messages into the background of what the consumer sees and has been known to cause a *contemporary blasé* toward the medium (Cronin 2006).

Audiences' consumption of media has changed: living in the Apple era, usage of smart technology and smart devices has raised the expectations of how brands should communicate. Engagement in advertising has been sought by marketers to achieve and sustain a brand's success facing when facing difficulties in standing out from the clutter (CBS Outdoor 2013). Smart mobile devices have developed beyond simple telephonic communication to become functionally sophisticated, ubiquitous and socially embedded (Kolsaker & Drakatos 2008). Its use is changing how people interact with others and the surrounding environment. Innovation mediated by new smart device technology and new interactive and disruptive marketing techniques supplies advertisers with new ways to communicate Out-of-Home more effectively.

1.1 Problem Statement

This dissertation proposes to explore **what are the best strategies for Out-of-Home advertising to integrate mobile devices usage**, with the purpose of improving efficiency and broadcast power of this communication channel.

1.2 Research Questions

The research questions that follow were raised to provide relevant insights to answer to the problem statement and explore Out-of-Home characteristics, attitudes towards advertising and new technologies and marketing techniques used in this media.

RQ1: Is Out-of-Home losing advertising value to mobile screens?

RQ2: What drives advertising acceptance among consumers?

RQ3: What factors make Out-of-Home advertising more appealing/intriguing/effective?

RQ4: Which new mobile technologies and marketing tools bring more value to Out-of-Home?

1.3 Methodology

This dissertation was supported with both primary and secondary data to provide an answer to the research questions. Primary data consisted in exploratory interviews conducted to managers of JCDecaux from the Innovate Department, responsible for creative and disruptive solutions for clients; and from the Commercial Department, involved in campaign planning and client support, to understand the company's vision regarding innovation of the Out-of-Home business. Furthermore, field research across main urban spots in Lisbon was executed to analyze JCDecaux's panels' formats, networks, placement and competitors. Additionally, an online survey was conducted to study the Portuguese audience in Lisbon, concerning attitudes towards outdoor advertising, technology awareness, among other consumer habits and behaviors. To complement this dissertation, a focus group was also conducted to explore additional insights from the audience perspective.

As for secondary data, market studies and annual reports from JCDecaux and competitors were used in this work, to collect figures on the market. The main two resources used were EBSCO database and internet research, being the latter also relevant while studying technology articles.

1.4 Outline

This dissertation embraces five main sections. The introductory section comprises the development of the discussed topic, elaborating on the methodology followed. In second place, a literature review on several related topics is exposed for further discussion on the third section, a case study on JCDecaux. The fourth part comprises a market research study performed in Lisbon, regarding Out-of-Home, Mobile Technologies and Interactivity, among other topics. The last section provides teaching notes for using the *JCDecaux: Broadcasting Innovation* case study as academic material, to be discussed in classes. Additionally, the thesis is further supplemented with a portfolio of exhibits and appendixes appropriated to support the reader.

2. Literature Review

2.1. Out-of-Home Advertising

2.1.1 Introduction

For this study, a literature review on Out-of-Home topics regarding efficiency, measurability, innovative solutions and mobile advertising was conducted. Despite the relative novelty of the topics debated and the limited literature available on Out-of-Home, some interesting hypotheses and results allow academics to develop further research on new media integration by Out-of-Home. Out-of-Home advertising is one of the fastest growing advertising media and it continues to perform well year after year. In 2012, advertising revenues rose 4.2% compared to the previous year, reaching \$6.7 billion (OAAA.org). Yet, researchers consider Out-of-Home to be one of the least researched mass medium: studies on outdoor advertising recall are outdated and do not account for the industry's many technological advances (Katz 2003; Osbourne & Coleman 2008).

Out-of-Home advertising is a unique medium that gathers some comparative advantages on other mediums and has embraced innovation in all parts of its business over the last few years. It is considered one of the most important communication channels for advertisers and brands in order to surround, immerse, and engage consumers (OAAA President & CEO Nancy Fletcher). Out-of-Home refers to any kind of advertising made outside the consumer's home, explored in public spaces, upon contractual agreements with city halls. Such contracts grant advertising rights in exchange of public services: setting up and maintaining the structures explored.

There are mainly three segments¹ in the Out-of-Home advertising industry: Street Furniture, Transport and Billboard (JCDecaux.com) all containing a diversity of formats. Street Furniture consists in bus shelters, public bathrooms, trash bins, information points, clocks, and other structures that have social benefits for the community and usually display advertising spaces. Transport segment consists in advertising on transportation means, display ad units in, and outside buses, trains, subways, airports and most recently on a bicycle rental service launched by JCDecaux. Billboard comprises all large outdoor formats namely big street or building banners and billboards. OAAA includes a fourth Alternative segment which represents Out-of-Home advertising present in Cinemas, in Arenas and Stadiums and in Interior or Exterior place based (e.g. Airborne, Marine, Resorts or Convenience Stores and Health Clubs) (OAAA 2013).

¹ Through Exhibit 1 to Exhibit 4, formats and examples for each segment are presented.

2.1.2 Measurement Units and Methodologies

Merely passing a poster is not sufficient to define an audience contact. There has to be an opportunity, a likelihood of seeing it (Bloom 2000). Measuring Out-of-Home and how effectively reaches the audiences has always been conundrum for advertisers. On top of that, metrics, ratings and models vary across researching entities and across countries. Companies compete to provide ratings, measurements, efficiency figures and segmentation strategies from outdoors sites, to support recommendations on media and campaign planning (Yin 2003). The three relevant dimensions regarding Out-of-Home are: (1) reach, the area covered by the purchased panel network, (2) frequency, how densely the message is broadcasted and (3) opportunity to see (OTS), the likelihood that a common passer-by has to experience a poster.

Methods have evolved from frequency surveys to complex models featuring new technology as GPS or eye tracking (Osborne and Coleman 2008; Bloom 2000). Individual estimates on each panel have failed to provide marketers a broad sense of the marketing plan, data on target groups and information for changing audiences and campaign durations. Nonetheless, modern systems enable marketers to accurately measure audience size and composition, and see how shifting money to Out-of-Home affects the reach, frequency, OTS and CPM (Yablonski 2011).

The following table is based on Bloom’s (2000) study, with information retrieved from other Out-of-Home reports and interviews (Kinetic 2011). It summarizes the main measurement models for outdoor and describes briefly its fundamental system.

Table 1 - Measurement Models in the U.S.

Model	Methodology	Units
Copland (1955)	<ul style="list-style-type: none"> • Cross frequency with location data and survey data 	Passages per unit per head
OSCAR (1985)	<ul style="list-style-type: none"> • Indexes of visibility, appeal, POIs • Data on panel characteristics 	Passages per unit per week
POSTAR (mid 90s)	<ul style="list-style-type: none"> • GPS technology • Accounted for illumination, angle to the road and eccentricity² to the panel. 	VAI
TAB (mid 00s)	<ul style="list-style-type: none"> • Information from the DOT 	DEC
TAB Out of Home Ratings (2012)	<ul style="list-style-type: none"> • Standardized, quantitative and reliable • Exhaustive demographic information • Census data and research on market patterns 	Ratings available through suppliers (e.g. Nielsen IMS and Telmar TOPS)

Advertising effects wear out gradually over time requiring the use of longitudinal data to measure campaign efficiency (Luo & Donthu 2001). Additionally, changes in media consumption patterns force marketers and researchers to encourage consumers to take active

² Eccentricity refers to the degree along which the visual field which generates blind spots.

roles in the research process (Gritten 2007). New alternative models suggest a measurement system for Out-of-Home which consists on data fed by users through a transmission device that exchanges information with panel receivers as they pass by (Tunick, Rizzaro & Alini 2010). It is argued that increased amounts of information about users' interest in ads and promotions led to, among other things, more effective marketing with higher returns (Tunick, Rizzaro & Alini 2010). Useful information on the effectiveness of Out-of-Home marketing is not abundant, and metrics, such as monthly sales figures, give marketers only raw insights about the success of marketing and sales effort. Little useful information is obtained on the effectiveness of Out-of-Home and on the areas that are contribute to marketing and branding goals (Tunick, Rizzaro & Alini 2010). When it comes to interactivity, marketers discuss about measuring a return on engagement to study the balance between the functional exchange (i.e. voucher, discount) and the emotional exchange (the content and experience for the consumer) (CBS Outdoor 2013).

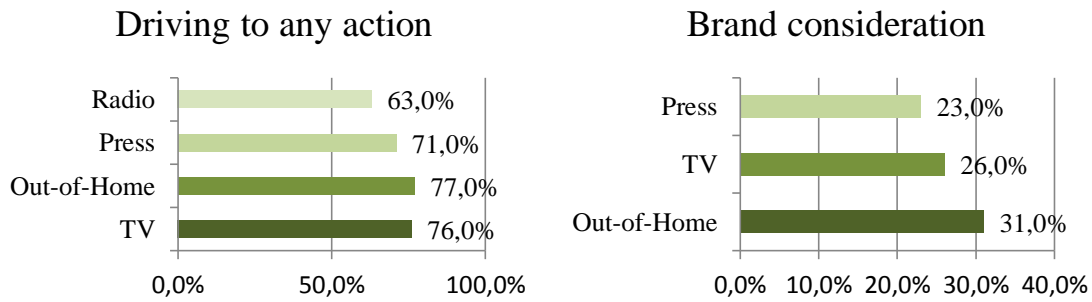
2.1.3 Planning Out-of-Home Strategy

Other articles explore the reasoning behind which managers choose to invest in Out-of-Home advertising: advantages over competing media, expectations and demands, and the complementarity of this communication channel. The main advantages managers found when communicating via outdoor media are: (1) placement of the advertisement close to the point of sale, (2) high frequency of exposure to commuters, (3) high reach, (4) 24-hour presence, (5) geographic flexibility for local advertisers, (6) economic efficiency in terms of low production costs and low cost per thousand exposures, (7) visual impact from advertisement size and message creativity, and (8) brand awareness (Taylor, Franke, and Bang 2006). Outdoor is unique in the sense that the medium is the advertisement; there is no other content to distract the viewer (Osborne and Coleman 2008). This means that the medium itself can be used as an extension of the advertisement display which becomes especially valuable for companies launching brand or product awareness campaigns. Out-of-Home formats allow a level of creativity, visual impact and interactivity which is sought by companies to stand out from the clutter and engage the consumers. Those who engage with advertising messages tend to better recall those messages (Osbourne and Coleman 2008)

Adding Out-of-Home to the media mix for industries and products where it provides observable sales lift³, magnifies the sales impacts of other marketing media (Marketshare & Clear Channel Outdoor 2010). In terms of driving a direct response or call-to-action, Out-of-Home, is as good as TV and better than radio and publishing when reviewing it in a broad context. Out-of-Home reported higher scores regarding driving consumers to any action after experience the medium message and also higher on brand consideration (CBS Outdoor 2013).

³ Refer to Exhibit 5: Sales lift when combining OOH in the marketing mix

Table 2 - Interactivity impact on consumers by media



Source: CBS Outdoor 2013

When maximizing Out-of-Home advertising efficiency, it is valid to assume the existence of an array of characteristics in the content and in panel itself that makes the face more likely to be seen and provocative, thus leading to a more persuasive and effective broadcast. Successful billboard advertising was found (Taylor, Franke & Bang 2006; Meurs & Aristoff 2009) to be associated with eight executional factors:

Table 3 - 8 executional factors for a successful outdoor campaign

- name identification
- clarity of the message
- powerful visuals
- location of the billboard
- use as a tool of integrated marketing communications (IMC)
- clever creative
- readability
- information provision

2.1.4 Out-of-Home Limitations

Out-of-Home advertising has its own limitations when it comes to develop a marketing strategy: (1) the need to limit the number of words in the message, (2) short exposure to the advertisement, (3) low demographic selectivity, (4) measurement problems (Taylor, Franke, and Bang 2006). Design limitations of this advertising type have to be followed to guarantee its appeal and broadcasting power, ensuring its success because individual exposure is too brief to reach the wear-in level (Meurs & Aristoff 2009). Increasing effectiveness of the outdoor campaign raises trade-offs given the physical boundaries of this medium: managing creativity while assuring readability or using powerful visuals and maintaining a clear message, for example. The production process of an effective Out-of-Home advertising strategy becomes complex whereas TV, Internet and Radio provide marketers with type of content that is richer in content and engages with the consumer when his involvement is higher. Unlike traditional Out-of-Home, consumers are generally engaged in the medium that broadcasts the advertisement (Wilson & Till 2011).

The intrinsic limitations when researching on Out-of-Home advertising are related to the nature of the data itself as panel ratings only bring to the discussion merely adjusted estimates on view likelihood. Such data is relevant for benchmarking the reach of Out-of-Home advertising and

useful in identifying commuting routines and some social patterns among communities. However current data does not provide evidence that people actually saw the face and recalled it later. Additionally, data collected may contain general psychographic and demographic information about the audience, however it is very limited given the fugacity of the interaction between panel and audience. Furthermore, we are living through an era of media, consumer and brand proliferation and marketing saturation. It is harder than ever to measure the consumers' actual exposure to media and how it influences them (Gambetti 2010). A key obstacle to advertising effectiveness is the volume of advertising to which consumers are exposed (Taylor, Franke and Bang 2006). Marketers are concerned that such saturation may affect consumers' attention toward advertising, declining message recall (Osbourne and Coleman 2008). Out-of-Home needs to embrace emergent trends such as *neuromarketing*, low-involvement processing and semiotics because marketers need to identify contributions and effects of individual campaign elements in terms of return on investment and in terms of relevance, salience and role in creating emotional brand affinities and engagements (Gambetti 2010).

2.2. Audience and Trends

2.2.1 Changes in the Audience

Nowadays the average consumer is exposed to over 1,000 commercial messages and stimuli per day (Gambetti 2010), most of them thoroughly designed and planned to break from the dense clutter and compete with other advertising messages. This media is also affected by urban distractions, so intertwined with the consumer daily routine and on their sensorial perceptions (Wilson & Till 2011). In recent years people have progressively become dependent on handheld devices that draw the attention to mobile screens, literally, to a cybernetic world, far from Out-of-Home panels. People turn to their smart devices for entertainment, social purposes, to save time and money, using its array of features and applications either to fill waiting or commuting time or when performing a chore (Wang 2010). Such behavior is enabling the popping up of the smartphone at any occasion, an automatic response and the staring at its screen, mesmerizing gaze. One of the main threats to the value of Out-of-Home advertising is losing presence in the audience's environment. The outdoor environment, especially in urban centers, is plentiful of distractions and dense outdoor advertising networks interfering and competing for an opportunity reach the consumer.

Media consumption is changing, and affinity with technologies and smart devices has raised the expectations of how brands should communicate. Marketers are struggling with the need to move away from traditional push marketing because given the advances in technology, consumers have acquired greater knowledge, stronger voice and wider choice. Engagement in advertising has been sought by marketers to achieve and sustain a brand's success when facing

difficulties in standing out from the clutter (CBS Outdoor 2013). Current marketing challenges have to be explored bearing in mind that modern-day consumers are content editors and gatekeepers of the commercial messages they receive. Understanding which motivations and choices they have for engaging with certain communication channels or media platforms is vital when there is such a plethora (Gambetti 2010).

2.2.2 Web and Mobile Trends

Interest in word of mouth and viral marketing techniques soared with the emergence of social media and the constant access to smart devices which are challenging traditional marketing and advertising models (CBS Outdoor 2013). It is clear that consumers often share online content and that social transmission influences product adoption and sales (Berger & Milkman 2012).

Smartphones have entered our lives not that long ago, however they have augmented a plethora of possibilities for consumers and businesses to interact with one another. Mobile phones have developed beyond simple telephonic communication to become functionally sophisticated, ubiquitous and socially embedded devices (Kolsaker & Drakatos 2008) and its use is changing how people interact with each other's and with the media environment itself. In developed and developing countries, penetration rates of smartphones in the mobile phone market are already quite significant. Research shows that as younger consumers around the globe are more likely to embrace such devices, it can be expected their interest will help drive smart phone adoption as they age and make up a greater percentage of the consumer base (Nielsen 2013). Penetration of smartphones in the mobile phone market is highest at South Korea 67%, China 66%, Australia 65%, UK 61% and US 53% (Nielsen 2013), and shipping of these devices are predicted to surpass 1 billion units worldwide for the first time in 2013. At the urban level, 75% of the audience owns a smartphone, up from 56% last year (CBS Outdoor 2013). With operating systems and device capabilities that provide consumers more access to content and multimedia features, usage of the smartphone ranges from simple text messages to e-mail, instant messages, social networking, streaming music, video/TV, applications, web browsing, mobile shopping, mobile banking, location based services among, and so forth, are transforming markets around the world (Nielsen 2013). Marketers have the opportunity to create a targeted and personal conversation with consumers when adopting these mechanisms (Wang & Dowding 2009).

For marketers, outdoor has already a very interesting audience profile as it reaches: 18-49, affluent, active, high-earning, tech-savvy, and mobile, who spend 6-9+ hours per week commuting (CBS Outdoor 2012; OAAA 2013). In addition, smartphone owners, a large and growing group, are also an important segment for nearly any business given their involvement with the products, wealth strata and proneness to respond to calls to action. Highest smartphone

ownership is distributed among the segments Gen Z (18-23), Millennials (24-32) and Gen X (33-46) with the respective proportions of 74%, 72% and 61% (eMarketer).

2.3. New Out-of-Home Opportunities

2.3.1 Interactive Tools

Modern day marketers have been experimenting and using technologies and innovative resources to embed interactivity to the outdoor advertising campaigns. Among these are:

Table 4 - List of Innovative Marketing Technologies

- | | |
|---|----------------------------------|
| • QR codes ⁴ | • Augmented Reality ads |
| • Promotional text code in an ad | • Bluetooth Enabled Advertising |
| • Touch Screen Panels | • Motion and Gesture Interaction |
| • Image Recognition | • Near Field Communication (NFC) |
| • Online check-in/location based vouchers | • Eye Recognition Software |
| • Tweets/Facebook updates on digital ads | |

Awareness of most interactive mechanisms remained relatively stable from 2011 to 2012 with the sole exception of the QR code that rose from 40% to 54% (CBS Outdoor 2013). These results suggest poor communication about such capabilities, although its acceptance is gaining momentum and is also subject to cultural traits. Literature shows that acceptance and usage of such technologies is a progressive process that requires a joint effort from different market players. It is important to recognize that consumers will not automatically understand the uses, benefits, and related variables of new technological-based tools (Sago 2011). QR codes were virtually unknown by consumers outside of Asia as late as 2008, when it was already part of the daily lives of consumers in Japan, Korea, Taiwan, Hong Kong, and China (Rouillard 2008). Moreover, QR reader applications have been factory-installed on over 75% of Japanese smartphones (Schmidmayr, Ebner, & Kappe 2008). Yet, in 2009, QR codes had not achieved the same widespread adoption by consumers in the United States (Keane 2009 & Richwalsky 2010). Using interactivity in Out-of-Home can be a vital element to help marketers to achieve deeper engagement levels and target consumers that are driven for cognition: (1) People who interact are more likely to be the target of the commercial message (45% of average uplift in terms of the ad being *for people like me*), (2) Word-of-mouth is stimulated by 54% when people interact with the ad, (3) Brand evaluation rose positively around 45% after ad interaction, (4) those who watched others interact, thought more positively of the brand, caused by a *Halo* effect produced by interactivity in Out-of-Home (CBS Outdoor 2013).

⁴ In Exhibit 10, several formats and applications of QR codes are attached.

Out-of-Home advertising has a great capability to exploit viral behaviors on social media as innovative and engaging advertisements are very likely to be captured and shared online by consumers that share content for self-presentation purposes and to communicate identity (Wojnicki & Godes 2008). Viral content can be important for Out-of-Home media as it enables a cheaper and more effective word-of-mouth and social media communication. The event of social media propagation comes at the cost of the audience itself and fosters interpersonal communication affecting attitudes and decision making (Asch 1956; Katz & Lazarsfeld 1955). Talking or sharing with others about the ads is significantly associated with improved aided recall (Osborne & Coleman 2008). Exploring viral characteristics of content to be shared and diffused by consumers is a complementary alternative to *sub-viral marketing*, where brand agents are hired to spread the word online (Gritten 2007). Promotional or incentive uses of such technologies on Out-of-Home panels are limitless. Creative, innovative and interactive campaigns such as rip-away wild postings or take-away samples on outdoor panels are extendable in the digital marketing realm: audiences are able to download exclusive content, to access more information via web on-the-go and to interact with display content via videos, augmented reality or even games, digital couponing among others. Consumers have already been encouraged to take home pieces of the advertising (Gambetti 2010), nevertheless with the right technology, audiences can take away, carry it on their mobile and even share it online. One of the most interesting incentives for consumers is couponing. For instance, revenue from online daily deals and discounts sites including Groupon and LivingSocial exceeded the \$2 billion in 2011, and is expected to grow (Kumar & Rajan 2011). Current technology allows mobile couponing platforms, however only 15%⁵ of the QR codes displayed involve such direct incentives. It is valid to assume a misuse of this tool, when 53% of consumers that scan QR codes do it so to claim a coupon or discount (Okazaki, Li & Hirose 2012).

Opt-in feature such as NFC, Bluetooth and other wireless technologies allows market research departments to collect information and research with a minimum effort once the adequate technology and platform is implemented. For example, for measuring systems for Out-of-Home in which research groups can use a transmitter, carried by test subjects, communicating with a receiver device, planted in Out-of-Home panels (Turnick, Rizzaro & Alini 2010). Possibilities for Out-of-Home companies to conduct a type of market research in which the audience is easy to reach, motivated in the process, requires minimum research equipment and is not invasive, as literature claims to be some of the current marketing research challenges (Gritten 2011).

⁵ Study conducted in Japan (Okazaki, Li & Hirose 2012).

2.3.2 Strategies for Smart Devices Interaction

Possible relationships between Out-of-Home and mobile devices should be carefully implemented and designed. User dependence on smart devices is high, thus it is inappropriate to over-exploit the medium with commercial messages. Adopting new technological tools will allow marketers to answer the need to harness viral marketing, opinion leaders, word-of-mouth and exploit to the full the potential of the mobile context to add humor, enjoyment and entertainment to marketing messages (Kolsaker & Drakatos 2008). Cross-media connection is crucial when building a marketing mix strategy, also, to maximize its effectiveness some facilitating and impeding factors must be account for. The Interactive Europe Report (2013) identifies eight golden rules for interactive Out-of-Home initiatives:

Table 5 - 8 Golden rules for interactive campaigns

- Adding interactivity has to be premeditated.
- Creative execution should deliver the message whether interaction occurs or not.
- Explicit communication of the core message and interaction.
- Incentives must exist to promote interaction and positive brand perceptions
- Interactions should be easy and fast.
- Interaction can happen with non-technological initiatives and must be adequate to the target
- Halo effect implications must be accounted because people will watch others interact
- Interactivity can serve other purposes (e.g. direct marketing and distribution)

Studies have reported that some content characteristics have a more positive influence on audiences. Surprise improves attention of the audience while joy improves viewer retention (Teixeira, Wedel & Pieters 2012); amusing and arousing campaigns foster sharing (Berger & Milkman 2012); information utility, incentives, opt in, credibility and privacy improve the message acceptance and the proposition value to the consumer (Wang 2010; Hanley & Boostrom 2011; Kolsaker & Drakatos 2008). Furthermore, when content can be shared with others, consumers are likely to engage in virtual marketing (Wang 2010; Wojnicki, Godes 2008). Social coupons are a popular shopping tool for consumers and an attractive customer acquisition tool for businesses (Kumar & Rajan 2011). Its potential is high since consumers share useful content for altruistic reasons, self-enhancement purposes or to make sense of their experiences, reduce dissonance, or deepen social connections (Berger & Milkman 2012).

Literature suggests that mobile platforms gather an array of opportunities to be explored by this cross-media channel, however its functionalities should be permission-based, to reduce social costs and annoyance of unwanted advertising messages (Leppaniemi & Karjaluoto 2005; Wang 2010; Hanley & Boostrom 2011), and to assuage concerns about spam messages and how their personal information is treated (Okazaki, Li & Hirose 2012). Additionally, marketing expenditure can become more valuable as the consumer has already indicated a level of interest in the message, avoiding missed marketing communications (Wang 2010).

3 Case Study

3.1. Introduction

3.1.1 JCDecaux Group

JCDecaux, founded in by Jean-Claude Decaux in 1964, in France, is one of the biggest Out-of-Home companies. It is the worldwide leader in Street Furniture in terms of revenues and number of advertising faces. It is the European leader in Billboard advertising in terms of sales. Regarding transportation advertising, the Group also leads the market with 27% of the worldwide airport traffic, being present in 152 airports and 280 contracts in other transportation means such as metros, buses, trains and tramways. It is present in over 18 countries, in 4 different continents, leading as well the outdoor transport communication in China.

Jean-Claude Decaux was a creative and resourceful young man when he founded the company that inherited his initials and last name. He was not particularly good at school and preferred doing small jobs rather than playing with classmates. With a strong entrepreneur spirit, he asked for the opportunity to run his parents' shoe store for a short period of time in their absence. On his first experience with advertising he took the initiative of spreading poster advertisements in utility posts across the town, developing a strong insight for the advertising business. Later he invented the concept of Street Furniture on a rainy day in Paris, while watching people waiting for the bus under the rain. The idea of providing shelter at bus stops, where he could explore ad space while providing social comfort to audiences came to his head.

From its creation, throughout its almost 50 years of activity, JCDecaux Group has grown undergoing two main strategies⁶ for expanding its business. Until the end of the XX century, JCDecaux had grown driven by its organic operations and by internationalization ventures in Europe, with predominant revenues from Street Furniture. Expansion began in the 70s in Portugal and Belgium, and continued mainly in Europe across the 80s and 90s. During the 00s, the Group increased their stake at the markets already in which it was already present to become the second largest outdoor advertiser in the whole, with 60% of the revenues originated outside France in 2004. Operations expanded later to the Asian continent penetrating in China and Middle East markets.

Strategic mergers and business consolidation was the second strategy conducted, most relevant during the last 15 years, devised to protecting and strengthening positions in strategic geographies by acquiring national partners. JCDecaux strategy often involved joint ventures

⁶ Refer to Exhibit 6: JCDecaux Group Timeline, to illustrate internationalization and acquisition strategies

with local competitors to enter new markets and often bought its partners and competitors over time. Main acquisitions happened in Germany, Turkey, U.K. and France by acquiring Wall AG (2009), Titan Outdoor (2010) and MédiaKiosk (2011), respectively.

Group revenues result mainly from sales of advertising space on three activities: *Street Furniture*, *Transport* and *Billboard*. Non-advertising revenues derive from the sale, leasing and maintenance of street furniture, as well as innovative, individual and technical projects for Out-of-Home advertising campaigns operated by JCDecaux Innovate. In 2012, JCDecaux reported⁷ record revenue and operating margin figures, despite the recession in Europe. The Group's revenue in 2012 increased 6.5%, outperforming the predicted industry growth of 3.5% according Zenith Optimedia (2013), and achieving €2,622.8 million in revenues. Strong free cash flows enabled JCDecaux to continue to invest for future growth, while deleveraging. Organic revenue growth, excluding acquisitions and impacts of foreign exchange, was 1.5% and the Group's operating margin increased 3.5% to €602.2 million in 2012. Street Furniture still represents most of Group's revenues, recording €1,171.3 million, followed by Transport, €1,012.5 million, and Billboard that contributed with €439 million.

Geographically, JCDecaux's revenues derive mostly (76.6%) from outside France, where Europe⁸, Asia and U.K. represent the biggest share. This internationalization strategy grants the Group a solid diversification of the business which levels the global performance of the company, allowing a constant business growth. Asian markets provided a financial and operational buffer midst the recent financial crisis due to the weight this geography represents in terms of revenues. Outdoor advertising spending in the Asia-Pacific region estimated to represent 53%⁹ of the global advertising spending and to grow 7.6% in 2012.

3.1.2 Out-of-Home Advertising Industry

Looking back to mid-1990s, when the outdoor industry was growing fast, U.S. media and advertising groups became interested in the business, partly driven by soaring costs of traditional media and by the increasing fragmentation of TV channels. Cost-effectiveness of Out-of-Home advertising raised the preference for this alternative to capture consumer attention. The sector was also under consolidation due to the growing complexity and higher up-front costs of contracts. In the late 1990s, two new incumbents, Clear Channel and Viacom, acquired major global positions in the industry undergoing a series of aggressive acquisitions. Across the 00s, top companies completed a series of consolidation and internationalization plans, and faced a technological wave from which several opportunities emerged. During this innovation period,

⁷ Refer to Exhibit 6: JCDecaux Group Performance in 2012.

⁸ Excluding activities in France and U.K.

⁹ Exhibit 7 gathers several figures on the industry forecast by geographic markets.

the biggest global companies in the sector remained: JCDecaux, CBS Outdoor (former Viacom), Clear Channel, followed other relevant players such as Eye Corp, Moove Media, Postercop, SMRT Media, among others.

In 2012, outdoor advertising spending worldwide registered nearly \$32.3 billion, representing 6.6% of total worldwide spending, which was estimated at \$491.9 billion (Zenith Optimedia 2012). Advertising spending in Out-of-Home was most significant in the Asia-Pacific region with 9% of overall advertising spend, Europe at 7%, North America at 4%, and South America at 1%. During the same year, Billboard accounted for nearly 50% of worldwide outdoor advertising spending, while Transport accounted for roughly 29% and Street Furniture represented approximately 21% (JCDecaux 2013). Out-of-Home media is forecasted ¹⁰to recover market share and grown as a communication media in the upcoming years driven by increased application of digital panels and more time spent outside home as economies recover¹¹.

3.1.3 JCDecaux in Portugal

JCDecaux in Portugal structures its business in 4 main departments: Commercial, External Relations, Financial and Distribution. The Commercial department is sub divided into the Innovate team and the Marketing team.

Marketing team is composed of marketing experts that provide the client with market insights about their products and services. Marketing team's responsibility is to consult clients on campaigns aspects to maximize its success: advising clients about most interesting consumer segments, the best ways to communicate with them out of home, places to reach assisting in the campaign planning. Innovate team belongs to the project conducted in JCDecaux worldwide to provide clients with customized special communication solutions such as clutter breaking outdoor structures or street furniture customization.

Contracts, usually 5-12 years long, are managed and prepared by the External Relations department, whose responsibility is to, thoroughly arrange future contracts proposals with municipals and other private partners, to renew and extend JCDecaux's advertising network. The Financial department is in charge of the financial responsibilities and reports, as well the billings from clients and other agencies, playing an important role on the company's operating success. The Distribution department gathers all collaborators from JCDecaux whose responsibility is to distribute the print work on the panels. Included in this department are all tasks regarding the preparation of the posters, assortment to distribution teams, removal of

¹⁰ Exhibit 8 gathers several figures forecasting market share by medium.

¹¹ Section c) in Exhibit 8 provides a forecast on Adspend and GDP growth.

outdated ads, maintenance and preparation of the panels and advertising structures, recycling assortment and other on-field installations. Some employees are assigned warehouse duties such as posters preparations (cropping, rolling and assigning them to vehicles teams) and other structure work as recovery or installation (most common in Innovate projects). Other distribution employees are included in vehicle teams in charge of the ad distribution and placement all over the city regardless of the climacteric conditions, in JCDecaux branded commercial vehicles that operate usually overnight to minimize the traffic impact.

In Portugal, campaigns are developed to meet the communication needs of the client, using an internal GPS based targeting system that gathers points of interest where the client's consumer is more likely to be, points of sale or other client specifications, comparing different panel networks. This system is updated on a daily basis and has allowed the company to provide its clients with networks adequate to meet the communication goals. JCDecaux business has some fluctuations as the number of campaigns per month is volatile and depends on the lengths of previous marketing actions. On average, JCDecaux Portugal conducts 60 weekly and 20 fortnightly campaigns, every month. Additionally, over the last year, 1 Innovate campaign was conducted each month on average and clients are increasingly looking for such disruptive Out-of-Home solutions. According to data from MMW, Feb. 2013, JCDecaux in Portugal represented 45.77% of the advertising spending in Out-of-Home across the country. At the capital, the company detains the main road routes, which are also explored by competitors.

Clients

JCDecaux's network in Portugal cover 68% of the National Purchasing Power Index (Índice de Poder de Compra), reaching roughly 70% of the population, approximately 7.7 million inhabitants. Business in JCDecaux is made via advertising agencies, *media sellers*, which represent 78% of the company's business in Portugal. The remaining 22% related to direct clients which contact JCDecaux for occasional or special custom campaigns. The biggest client accounts are mainly in the retailing, fast moving consumer goods and communication sector and the top 5 companies investing in JCDecaux are Sonae Group, L'Oreal, Beiersdorf, Unicer, Vodafone, Meo and Zon. These represent a big share on the company's revenues and all request at least one Innovate project per year.

Competitors

Competition in Portugal is held mainly by Cemusa Outdoors, a Spanish Out-of-Home company whose presence is more intense in Lisbon, with its panels coexisting with JCDecaux's on the same locations. They compete in the Billboard and Street Furniture segments, offering a similar array of panels and street furniture formats, nevertheless they appear to lack the knowledge to offer specialized disruptive solutions to clients. Other kinds of competition arise in areas where

JCDecaux Portugal is not present. The Transport segment is not explored, unlike other national companies in the Group, and contracts for buses, metros, trains or trams are exclusive for the same companies providing the transportation service – Carris, both in bus and metro, CP, in long course trains, Eva and Rede Expresso, in long course buses, Transtejo e Softlusa, in the boat transportation in river Tejo, Fertagus in urban train service, among a variety of small taxi companies. Remaining competitors are scattered in small business that own property, mobile structures or display large billboard formats (e.g. Parceiros Novos), generally in highways or country roads, shopping centers that explore its street furniture and billboard units.

JCDecaux also differentiates itself in the market by being the company with the most national coverage in Portugal, granting clients a valuable exposure for communication purposes. Moreover, the customized solutions offered by the Innovate department grant companies a disruptive, interactive and innovative marketing channel. The company position in the market is strong and diverse, however the JCDecaux brand is weak and the panels and structures offered are highly substitutable. Another weakness is the absence in the different areas, as there are opportunities to expand to other Out-of-Home media, namely in Transportation.

Advertising in large formats, Billboard, is done by RED, acquired by JCDecaux Portugal that owns and manages a vast network of large panels. Transport advertising is operated by JCDecaux Airport, a company belonging to JCDecaux Portugal that manages the exploration of the advertising in Lisbon's airport.

3.2. JCDecaux: Broadcasting Innovation

It was late September 2012 and Mike Rauss was cordially finishing a 20 minute call with the marketing executive of Ice Cream United: *“We are happy to have helped Icyogurt reach its brand awareness goals”*.

“We have great results to report” Said Mr. Frio. *“Our sales department reported an increase of 230% in last month sales, followed by a growth on order quantities by nearly half of our distribution network. On the other hand, we celebrated 73 new distributing contracts with coffee shops and restaurants for our new product. Mr. Rauss, this success is what I told my partners should expect from working with JCDecaux”*.

Consolidation of the product market share and increasing the brand awareness in the consumer’s evoke set of refreshing dairy products were the priorities specified by Mr. Frio. The campaign for the new frozen yogurt brand had proven to be a success. – *“We appreciate your feedback and look forward to work with your company again Mr. Frio”*.

It would have been just another regular outdoor campaign for a summer product across the country’s Out-of-Home panels, had it not been the installation of 4 custom special outdoor structures. These were big scale replicas of the Icyogurt, providing fresh shadow space underneath and cold product samples to consumers passing by 4 strategic urban points, prepared by the Innovate Department at JCDecaux.

Mr. Rauss got off his chair and walked towards the panoramic window at his office as he thought about what he had just listened to. The campaign’s success was not unforeseen; it was the confirmation of what he had expected from his team’s work. For one, Out-of-Home advertising is increasingly one of the best medium to reach consumers as people are spending more time outside home. On the other hand, proliferation of new media and the fragmentation of other communication channels are making Out-of-Home more cost effective. Furthermore, the creative solutions presented by the Innovate department had yet to fail to amaze and engage the audience.

“This is all great news but how can I be sure that this campaign was effectively successful? How can I provide quantitative support that people actually saw our panels and recalled the product?”

Apart from feedback from clients and their own panel data, there was no way Mr. Rauss could demonstrate a campaign’s success with figures. Although JCDecaux has a worldwide reputation for innovation and creativity for Out-of-Home advertising, Mr. Rauss was concerned that without the appropriate tools to measure ad recall and campaign efficiency the creative

workforce and such reputation could fall short when closing future contracts. To be able to accurately quantify results and better study the audience reached by panels, would an added value provide to clients when planning outdoor campaigns. Yet, at the same time it could deepen JCDecaux market knowledge. How could such information be studied and measured?

Mr. Rauss stared for some minutes at the bus shelter outside and at the people underneath it. He was looking for answers, on that particular bus stop and on to the 2 Mupis placed farther ahead. Only one thing became evident to his eyes: nearly every passer-by or commuter waiting for the bus was busy staring at their phone. He focused on how people in the street behaved: it seemed that their eyes were being drawn into those touch screen devices making the outdoor media apparently irrelevant and overlooked. It seemed that new media proliferation was not only affecting in home advertising, but Out-of-Home as well. Mike Rauss kept looking outside. Never the competition for consumers' attention with their own phone had been this intense. Apart from regular calls and text messages, urban audiences that carried a smartphone had now access to a huge array of features and applications in their handheld. On top of this, a big part of the urban population is trading up their feature and multimedia phone for a smartphone instead. *"Those who did not, it would be just a matter of time until they did it"* - thought marketing director Mr. Rauss.

"Mr. Rauss, can I interrupt?" Layne Stanley, one of JCDecaux's interns came into the marketing director's office to report on his weekly tasks. Rauss promptly asked him: *"Layne, tell me something, what do you usually do when riding the bus to work and back home?"* The intern stuttered that he would listen to music, check the news headlines, let his friends know when he was free from work, check his personal email, and check on his fantasy football browser game. Mike Rauss nodded and looked back to the bus shelter outside. JCDecaux's panels did not become invisible, they were still there, people were sitting at bus stops, passing by mupis and billboards, but the time spent looking at them and processing their message appeared to be decreasing, given the much more interesting, interactive and personal content displayed on the small screens. Rauss proceeded to ask: *"Layne, tell me what you know about new media consumption"*. The intern knew Mr. Rauss was not usually this mysterious. The marketing director had the reputation of being quite direct and bold, yet he replied:

"Media nowadays is consumed via several competing platforms and access to internet was a game changer for many businesses. TV, print media can also be accessed and consumed in PCs and mobile devices: smartphones and tablets. In fact Mr. Rauss, even internet content is being challenged in terms of formats given that web consumption is shifting significantly to mobile. Some business models are striving to adapt to these changes in media consumption. Print media

is the most affected one as newspapers sales plummeted and companies have moved to online platforms in order to-

The director abruptly interrupted and asked “*What about OUR media?*” Layne, the 20 year old intern became nervous as he felt he was being assessed, which could impact Mr. Rauss’ review on his internship report.

“Well, our media is the message, just like everyone here says about Out-of-Home advertising. I do not think internet interferes directly with it. However internet can be used to mediate a campaign depending on the virality it obtains among the audience. Is that what you mean?”

Layne made a good point: mobile devices are being used by JCDecaux to improve message broadcast and reach, just like with the 4 special disruptive structures in the Icyogurt campaign. Rauss was still unsettled, how could he know whether mobile is working for, or rather, against his company business? Is outdoor becoming less effective? Is the audience becoming unreachable by the advertising panels? How exactly are these mobile devices affecting Out-of-Home advertising? How can it adapt to these apparently new behaviors, besides hoping that viral content is produced and successfully spread? “*Go get your things Layne! We are going on a field trip.*” – commanded Rauss with a smirk on his face. The marketing director and the intern headed to the downtown using the bus, Rauss wanted to experience how metropolitan people are exposed to advertisements on their commute and how they interact with their handheld devices.

Traffic circulation on the Avenida da Liberdade was made on the inner lanes, connecting several arteries to the city’s downtown. The avenue was surrounded by large promenade areas beautifully ornamented with gardens, under the shadow of tall leafy trees. Several companies had their headquarters in this avenue, together with numerous adjacent small businesses and stores, namely restaurants, esplanades, clothing shops and souvenir kiosks, making this avenue one of the busiest in the city. Out-of-Home opportunities were unquestionable with a wide and diverse audience of tourists, working middle class, business men and women, and so on, either walking or driving by. Communication potential for brands was immense. It was impressive how present the smart devices were in each demographic group, Rauss could see the *time burners*, sitting or standing alone, holding their devices waiting at the bus stop, at the kiosk, at the public benches. Others carried them as they walked across the avenue frenetically tapping the mobile screens as they texted, while some held them as they enjoyed their music quietly or talked loudly with ear buds on, and others used the devices to take photos of every slightly interesting thing they saw. JCDecaux shared the outdoor environment alongside Cemusa panels, given the lately renewed city contract. JCDecaux Portugal was forced to forego part of its panel network. However the new contract allowed marketers to use public space for temporary

installations, which was how JCDecaux wanted to differentiate, since the company had no transportation contract in the country.

“We are going to check how many QR scans are made on that special installation made by the Innovate department.”

QR code awareness in Portugal was not that big, and its advertising application was strongly underused and misunderstood by marketers. Mike Rauss was used to QR code initiatives requests from client meetings that had no interactivity strategy that merely wanted to use this technique for the sake of novelty and innovation. *“What do you think those QR codes around our big chocolate milk bottle provide customers with?”* – asked Mike Rauss and he received his coffee from Layne.

“Well Mr. Rauss, usually they contain links that redirect you to some website or subscription, at least from my experience. I also believe that QR code is a fad; users just do not want to stop, stand at the panels, withdraw their phone and use up their internet traffic just to go to a company’s website. I do not know what that one does. It seems overpromising as the ad states that one pack of chocolate milk is offered, I guess it will be too complex to follow through.”

The Ucal campaign had been coordinated by Miren, a 27 year old woman whose academic background was systems security and several programming languages. She was responsible for JCDecaux Innovate Team and was supervised projects that required higher expertise in technology and mobile platforms. At that time, Miren’s main concerns by using QR codes stickers around the assigned panels were unawareness of this cross media communication tool, and at the same time, the skepticism from the offer promoted. Layne was wrong about the content of the call-to-action, as during the first week of the campaign, someone had been assigned to promote and support these QR code panels for Ucal.

“The report stated that there was some awareness and people were actively engaging with the QR codes mainly driven by the value proposition. However, most interested passers-by did not own a compatible phone. Perhaps it is not a complexity issue but a technological one”.

Meanwhile, only 15 people had approached the panel to scan the code, while 28 other approached only to take a rip away QR code and a group of 2 elderly women ripped QR code stickers and tried to scratch it, thinking it was some kind of scratch and win ticket. The team decided to change location and observe an Asian tourist group following a guide around one of statues in the avenue. As they walked behind the group, Rauss commented on the Asian market:

“In Japan, QR codes are heavily explored by companies and consumers, nearly all smart phones come with scan apps by default. I believe we are only experiencing a cultural lag on these technologies, people will eventually adopt and value it”.

Companies that use such interactive tools are responsible for its acceptance and awareness. Content, features and purpose have to be wisely deliberated as one campaign affects the audience experience, conditioning future contacts and beliefs. Despite being a potential tool to cross media communication and serving promotional and interaction purposes, interactive technologies on outdoor units can also provide important information about campaign effectiveness. *“Accesses via QR, for example, are quantifiable and alongside with a subscription scheme or a mobile platform can generate an interesting knowledge bank”.*

Mr. Rauss and Layne were back in JCDecaux headquarters. It had been a completely different day for the young intern. As both arrived at Mr. Rauss’ office something was not clear in Layne’s head: *“Apologies, but I must ask you: what is the strategy, better, what is the approach of JCDecaux in response to the current mobile trends?”*

“Layne, this summer, JCDecaux France is testing 5 new street furniture concepts, the Intelligent Street Furniture¹² collection. Our goal is to provide our clients with constant innovative solutions Audiences are constantly changing and JCDecaux has to keep up with arising trends, maintaining a close understanding of people’s behavior when outside home.”

Concept-Bus Shelter, Digital Harbour, Digital Totem, e-Village and Play Table are prototypes that have an innovative and modern design and integrate several smart device and mobile solutions for the contemporary and digital audience in urban centers. These new concepts thrive to combine unprecedented levels of comfort along with innovative features such as free Wi-Fi connection, charging points, interactive screens able to present city information and history in high-quality content, among others. Such concept testing is directed at surveying the environment and audience, in terms of new technologies and applications acceptance, in order to build awareness of the methods.

As in any current business, social media, smart devices and new mobile consumer needs are not yet fully understood. Some companies invest heavily to communicate how innovative, updated, trendy and hip they are; others rely on keeping a modest presence in new communication platforms, while some simply do not involve with it. The research role in Out-of-Home companies aims to achieve 3 goals: (1) Innovation and development of all the outdoor formats, improving their visibility, quality, maintenance, structure, design, comfort, utility and so forth. (2) Bring added value to the offer to clients by providing managers with statistical support to for

¹² Refer to Exhibit 9: Intelligent Street Furniture

planning and segmenting purposes (3) Study new business opportunities, new ways to advertise Out-of-Home and diversification alternatives.

“We use our resources to be the first ones to capture new business opportunities. Innovation is our main differentiator. We must learn how our panels and street furniture perform and how they can be improved, it is important to be aware of new business opportunities. The world keeps changing and diversification alternatives are always valuable.”

Rauss walked to the flip board and started, writing a list of techniques that may enable interaction and integration of Out-of-Home advertisements with online, social and digital media.

“QR codes represent an endless range of solutions: they can be built-in anywhere or embedded in the poster.” – Reported uses of QR code¹³ have been numerous, from a sun statue whose shadow is a built-in QR code to drive sales in a specific time of the day, QR code as floor stickers along the street pavement or in subway platforms in front of the place where doors stop and open. Embedded codes in posters merely functional and information based, or other, ornamental, becoming the ad itself. Several variations¹⁴ of QR codes are available depending on its intended function.

“Apart from QR codes, there are other quick response channels also often used. However these have not become as popular or as practical as QR codes which became the market standard.”

Mr. Rauss’ favorite, NFC technology, represented a system that contained an opt-in feature, upon the near field contact, that was not intrusive, in the sense it did not required user’s activation. It was solely based on the impulsive decision to interact with the sensor. With NFC systems and the right incentives, for example coupon or discount based platforms, Out-of-Home panels could evolve into action points, more appealing to the eye and more pertinent in a current urban environment than before. Mike Rauss’ mind was bursting with ideas for NFC, however he knew concept and awareness tests were important for the campaign success.

“It is a low-effort interactive feature that we can use in Innovate projects that required on-field call to actions. For example we can create a treasure hunt where consumers need to collect an amount of tokens, distributed with a probability by the NFC sensors in the panel, to be able to win product units. Or if more than 5 people activate the NFC sensor within 5 seconds, some light display can be activated.”

On the flip chart, already were listed several tools: location-based applications, touch screens, Bluetooth, Wi-Fi connections, USB chargers, wireless chargers, augmented reality, among

¹³ In Exhibit 10 b), a set of creative uses of QR codes are presented.

¹⁴ In Exhibit 10 a), a list of QR code variations and descriptions is displayed.

others. Mr. Rauss was briefly going through each technique, arguing how expensive and inefficient a campaign can turn out to be, and elaborating on how some of campaigns are strategically documented and shared online.

“Wireless Chargers may be more interesting than regular power plug chargers since they have the novelty factor and imply minor changes to our structures and provide utility to audiences”.

Layne was not that updated regarding the technological solutions being used and developed, as he imagined that list to be nearly complete. Yet he could not help but notice that all these tools could turn out to be a flop if not properly designed and managed or even if replicated by other companies and marketers.

“Can you think of any other technique Layne? I expect a report on our activity today and a small presentation Monday noon to our Innovate colleagues. Take the flip board if you want, have a good weekend.”

Later on that evening when walking towards his bus stop back home, he stumbled upon a decorated bus shelter with lace and curtains. Layne found it mesmerizing, how simple low tech solutions are able to appeal that much to people. The advertised product was the new Triumph underwear collection for women displayed on the panels and people around were smiling and touching the lace fabric. How was that campaign aligned to the so often mentioned innovation strategy lead by JCDecaux? As the young intern deliberated on that, this young teenager poked him and asked him to take a picture while posing in front of the lace bus shelter. *“I guess that answers my question”* thought Layne.

4. Market Research

4.1. Study 1: Online Survey

4.1.1 Method

An online survey was conducted and diffused to help answer the research problems proposed by this study. Respondents were given illustrated examples of Out-of-Home advertisements and presented with brief descriptions of QR codes and NFC usage. It contained 12 questions intended to analyze Out-of-Home recall, mobile behaviors and awareness of technologies and techniques that connect Out-of-Home to smart devices. With sample size of 93 individual participants, it took on average 9 minutes for respondents to complete the Web survey. Anonymity was kept and the data was collected via a password secured Web page. The results are compiled in an info graphic at Appendix C, section b).

4.1.2 Results

When asked to remember and indicate any two Out-of-Home advertisements seen on around in urban areas – referring freely either to the company, brand, product or ad –, most survey participants managed to successfully recall the brand, the product or the service present in ads evoked, reflecting the effectiveness of this media. Using a word cloud analysis¹⁵ to better illustrate the open-ended questions, some companies and brands such as Vodafone, Mercedes, and McDonalds were more meaningful and easily recalled, while others failed to enter the consumers' evoke set, as general answers such as cars, clothes, perfume, and alcoholic drinks were registered. Moreover, local events' posters were also frequently recalled which suggests that ads related to individuals' interests are well recalled.

By analyzing what made people remember two specific evoked advertisements, it is possible to infer which factors facilitate recall of Out-of-Home ads, as answers for both cases followed approximately the same distribution. To answer to RQ3, **Repetition, widespread and creativity** of Out-of-Home advertisements are the factors that induce most of the conscious recall from audiences, as found in previous studies. In both elected advertisements, “*It was everywhere*” represented more than 35% of the reasons why people recalled them, on a multiple answer question, meaning that Out-of-Home ads are able to effectively reach consumers at different locations and at different times of the day, thus successfully delivering its message. Creativity, on the other hand, was the second most answered recall factor with over 20% in both cases. This also corroborates previous literature that links advertisement recall with content creativity (Osbourne and Coleman 2008). An interesting result found was that the viral factor,

¹⁵ World clouds available in the Appendix C, section d)

when people comment and share ads on online platforms, outweighed humor in both ads mentioned, reflecting the importance that social media plays in advertising activities nowadays and providing some insights to RQ2. Open-ended answers provided insights about ad recall that relate to the outdoor ad characteristics such as size, visual elements and models. Huge panels, eye catching shapes and colors, arousing content and attractive and famous models were among the most referred factors.

Possible examples of incentives and engaging features were presented and asked to be ranked according to the level of interest in such initiatives in Out-of-Home panels, in order to study which of these are more likely to engage audiences. The top ranked features were creativity, ranked first, with 46% of the answers, adequateness of the ads to the viewer's interest (26%) and augmented reality (19%). Interactive ads were ranked, on average, in 3.24 place while mobile couponing via QR ranked 4.86 and via NFC 5.47, on average. Although results suggest a slight indifference towards couponing features, people seem more interested in disruptive, clutter breaking and innovative alternatives. Ads are expected to dazzle and amuse audiences through creativity. Nonetheless they should be targeted to the segments to which the message is more relevant to boost acceptance of advertising (RQ2).

Studying the intentions of QR code and NFC techniques usage, Promotions and Discount opportunities stood as the most preferred purpose with 41% of the answers, followed by Curiosity with 33%. Intentions of accessing more information were quite discrete (13%) which suggests that audiences would not value additional information in Out-of-Home ads accessed via such technologies. Some barriers found in other literature become evident as 9% of the participants are reluctant to expose their smart device given the personal attachment attained to it (Kolsaker & Drakatos 2008). These facts raise some complexity in integrating these technologies with Out-of-Home ads because they need to be clearly instructed and the market must be comfortable and aware of these functionalities. In second place, although intentions for using the techniques are towards acquiring promotions and discounts, it is not clear how such features would impact the message retention of the ad when comparing to other tools, creativity for example.

This survey indicates that experiencing with QR codes is not as common as in other countries, according to other studies, where from 38% of those that have scanned a QR, only 19% found it worthwhile. Those who have not yet experienced with a QR code (62%), do not own a smart device compatible with a QR code reader (31%) or have never installed such application (24%), while nearly 8% are not even familiar with this concept.

Regarding awareness of Near Field Communication systems, 55% have never heard about it. Surprisingly, 45% of the participants were already aware of NFC, most likely due to recent discussion and pieces of news about e-Wallets.

The top 3 situations when people use their phone the most are: at Home, at School/University or at Work and during commuting time at Public Transportation, respectively. Home was chosen for first rank in 37% of the answers, followed by Public Transportation (26%) and School/University/Work (22%). Interestingly, phone usage seems to occur less often when people are outdoors – which seems to refute RQ1, that mobile behaviors it reduces Out-of-Home advertising visibility and impact –, and also during meal times.

Respondents showed some tolerability and awareness to mobile advertisements as 38% claimed to already be using ad-based applications, contrasting with 51% that do not use it and 11% do not know what ad-based mobile apps are. As for transportation habits, Public Transportation is the most used mean (54%), followed by Car and Motor Bike (34%) and together, Walk and Bicycle are used by 12% of the participants.

4.2. Study 2: Focus Group

4.2.1 Method

Informal focus group with 3 male participants, ages across between 25 and 30, living in Lisbon, to discuss Out-of-Home topics and routine experiences.

4.2.2 Results

There is a general acknowledgment of what Out-of-Home advertising is and in which formats it is displayed (billboards, ads on buses, in decorated cars, in subway carriages, at WCs above the toilets, and posters all over, apart from one participant that mentioned flyers. Respondents were able to recall and elaborate descriptively some advertisements, mainly interactive and disruptive ones because *“Billboards are boring, less useful but recallable”*.

Among the several examples that participants spontaneously evoked, 2 factors stood out: disruptiveness/entertainment and the presence of beautiful female models. Consumers seemed excited when referring the interaction with ads as they provided some entertainment during regular routes. Ads above metro seats for a shampoo brand, messages on a building's windows, and a redecorated space launcher elevator at a parking lot provided a lasting experience in which brand or product recognition was achieved. Using female models on ads seems to promote discussion about the model herself, during which respondents were able to identify brands, products and ad locations. Although the target of advertisement pieces containing images of a female model in order to promote women's goods, are usually women, nonetheless

there is evidence that this kind of poster fosters a broader buzz and discussion among other segments and is able to serve brand awareness purposes. Further discussion also pointed out that audiences can experience Out-of-Home ads in the internet, when campaigns are designed to be socially diffused or when its content becomes viral. This not only broadens the broadcast scope and it drives expectations for this media

“Moreover I saw this video about this Asian supermarket chain that had wallpapers on the subway displaying products that allowed people to purchase goods with the phone and they would be home delivered”.

Another important aspect for all respondents was the identity and esthetic value that Out-of-Home ads attain to urban centers. In spite of visual pollution concerns, there was a general opinion that when in harmony, large ads formats can help embellishing the cityscape and cover abandoned and decaying property. Consumers seem to value this esthetic component, being more tolerant and positive towards advertising.

“They can be useful to ornament the city landscape, especially in Lisbon with so many decaying old building, as long they have a harmony that embellished the view. If they aren’t related or included in an esthetic strategy, they can become visual pollution.”

Out-of-Home advertising is already seen as part of the natural cityscape and society has built a substantial degree of acceptance of the panels. This fact benefits the industry as audiences do not consider this advertising as aggressive or intrusive.

“If there were no ads displayed outside in the street I would notice something was missing. Bus shelters would seem naked.”

This focus group revealed some interesting behaviors about technologies and marketing techniques that can be integrated by Out-of-Home advertising, that have been reported in previous studies. QR code experiences varied across the group: successful interactions, failed interactions, intended but not performed interactions and no interaction due to lack of information. When it comes to QR code, the most popular cross media advertising tool, attitudes are not positive. Consumers that engage in the communication exchange process driven by QR codes become disappointed with its benefit or lack of performance. Among those that have not engaged with QR codes, one intended to do so but lost the opportunity and interest to do it in between downloading and installing the QR reader, while the other was confident that his phone did not support such software when in fact it did. Despite the low audience engagement, consumers show awareness and willingness to try such techniques. A reference to a treasure

hunt game based on QR codes was made, reflecting an interactive and entertaining association to QR technology.

“I have scanned before, but it isn’t that useful. I and my friends tried to scan one that is embedded in the street floor at Baixa but it did not work”.

“I have downloaded a QR code scanner, but never used it. I downloaded it because I needed it only one time.”

“My phone does not support.” Antero mentions that it does support it because they have the same model. *“But I know what QR code is: it is those little squares that allow communication of information. I have heard about it being used in some sort of treasure hunt game.”*

As for NFC, awareness levels were significantly lower than for QR codes, where the closest association to the concept was made with e-wallets. Upon NFC description and example, lack of information represented the main challenge. One participant revealed a strong negative reaction towards NFC as he admits lack of interest in NFC technology. Moreover, privacy and information management seemed to raise concerns regarding displaying any personal information upon NFC contact, even if interest related ads.

“If using it, meant that the ads displayed would change into ads related to mine interests I wouldn’t do it. I wouldn’t want people to see my interests displayed.”

“I recognize what it is, but I would never be interested in using it.”

Discussion about mobile phone usage revealed that different consumer segments have different relationships with their devices, although entertainment usage commonly prevails over a more utilitarian use. People check their devices to fill time, when commuting in bus, metro, even by personal car during traffic peaks, by reading news online, listening to music, taking photos or communicating. These activities seem to coexist with broadcasting opportunities for Out-of-Home advertisements given the location and exposure time. Whether one media overlaps the others is not possible to infer, however the attention span seems to alternate between mobile, Out-of-Home ads and the surrounding environment creating an opportunity for marketers to explore cross media solutions for a more integrated and interactive communication.

“I usually smoke or use my phone. When I’m looking at it I don’t pay attention nor do I read outdoor ads.”

“I look around. Sometimes I read and stare at some advertisements; after all it is difficult to miss it because it is included in the urban landscape.”

How people interact and process an Out-of-Home advertising is based on the level of personal interest on the product or service being communicated. When drawn to Mupis for example, if the ad relates to something considered interesting (commercial purpose) or it appears to be entertaining (entertainment purpose), audiences are willing to spend more attention in processing the message. In fact, audiences might even be willing to capture an advertisement with their phones, which can ideally lead to online ad propagation. On the other hand, it appears that ads are expected to be available online, however finding the right one can be troublesome.

“I look at it briefly, sometimes I pay a little more attention if it entertains or interests me. And I also evaluate the models present on some ads.”

“I had the intention of taking a photo of this street political poster mocking the government and European Union leaders where they were caricatured at a casino, it was funny. I never really did it. I’m always rushing when I pass by it.”

“No, you don’t take a photo of an advertisement you liked, you simply remember it. When it is a good one, there is no need to take it with you. Not to mention that you can always search for it online, although it is hard to find the exact one.”

4.3. General Discussion and Conclusion

To understand what are the best strategies for Out-of-Home to integrate mobile devices usage, this dissertation proposes that several aspects are accounted for. First on all, mobile media is causing proliferation in other channels, affecting Out-of-Home as well (RQ1), despite that the latter can be managed and adapted to minimize broadcast losses and explore synergies with new technologies. All depends, however, on the management and its innovation vision.

Across this work, advertising acceptance among consumers (RQ2) is something that marketers need to pay attention as it can define the success or failure of a campaign. Regarding Out-of-Home advertising, audiences seem to have a significant degree of acceptance not only by the utility provided by street furniture but also for the ornamental component of the ads that are considered an integrating part of the city landscape. Unlike other media, like TV, that disrupts an entertainment experience to display ads, outdoor is always present in the environment without being intrusive.

Several factors and features have potential to challenge Out-of-Home business (RQ4). Tools that are interactive and engaging with consumers seem to affect positively brand associations. On the other hand, audiences value creativity a lot for its artistic content, but also the need for cognition techniques and the use of humor. Any campaign that manages to break from the

clutter and communicate a message in a courteous and entertaining way, raises the attention and interested on the advertisement and may even provoke sharing and viral behaviors. Notwithstanding, communication must be directed to the target segment groups, the most interested consumers to ensure product recall and call-to-action. On a general overview, people seem to actively engage in non-ordinary campaigns that handle technological innovations or are very creative.

To answer to RQ4, several technologies from QR code to NFC or touchscreen can attain interactivity and creativity to the panel and to the advertisement. The strategy comes down to the campaign design and how well all the elements are organized and easily accessible to ensure positive brand interactions and relationships when consumers are on the go, or idling during commute time. Value to Out-of-Home from these tools can come internally, by adopting a measuring system that intercommunicates with consumer's devices or externally, by creating provocative and appealing campaigns to serve specific marketing goals. If the marketing department wants to promote product trial, rip away panels with samples, or subscriptions schemes to redeem samples can be of great use to marketers in the sense costs of sample distribution are reduced. If the goal is to develop brand relationship, outdoor features that allow audiences to interact with the panel and share that experience, such as touch screens, motion detector, and photo scenarios can be used.

The main takeaway from this dissertation relies on the need for Out-of-Home companies to be aware of technological innovations to be able to provide extra value on custom campaigns upon client requests. Innovation does not mean however to use the latest high technological traits, it means being able to interact and reach the consumer in non-standard ways, even if no technology is used. Out-of-Home companies have the opportunity to redefine the outdoor advertising business on the upcoming years by increasing its affinity with mobile technologies and to tackle the fundamental challenge of the business, the measurement, exploiting user initiated methods.

4.4. Limitations and Future Research

As for the market research some important stones have been turned by joint initiatives from different players in the market. Technological-wise some advances are yet to be made. However any breakthrough to happen in the upcoming years will probably occur through private investment, given the fact that such breakthrough at this point will prove to be a strategic advantage. This study market research provided some interesting findings and support to existing literature, nonetheless the sample is not representative of the Portuguese population, nor can it be used to infer to other countries. Besides being focused in Lisbon audience, cultural differences regarding behaviors and attitudes limit the validity of this study. Another issue regarding the survey is the question types used, that did not allow an elaborated statistical analysis.

Topics discussed in this dissertation are very recent. They deal with innovative technologies and novel concepts, thus the existing studies are not plentiful. Future research should study more accurately attitudes and behaviors towards smart devices and its usage with Out-of-Home. An interesting follow-up for this thesis would be to further develop survey questions and conduct controlled concept tests of new marketing tools to provide a better understanding of audience's awareness and affinity with them, to explore areas of improvement. Another recommendation for future studies of interactive Out-of-Home should conduct an analysis of the existent tools in a dual perspective from the marketers and from the audience, to benchmark which tools to use in each situation, for each marketing goal.

5. Teaching Note

This section comprises several aspects necessary for a comprehensive understanding of the case study prepared. After an initial overview on the case study, some key issues present in the document are made salient, followed by the exploration of the learning objectives proposed. Further, an assignment is arranged for a proper application of the events occurred in the JCDecaux's case study in line with the strategic implications on its business.

5.1 Overview

This case study is written around JCDecaux Portugal business, the national representative of JCDecaux Group, focused in the Portuguese capital realm. The company enjoys a leader position in the market, mainly due to the global Group resources it represents, but is subject to local competition and different realities than the ones experienced in other countries. Apart from cultural and commercial discrepancies, the main challenge for Out-of-Home advertising extends to all partners and players: the measurement.

Accurate measurement of Out-of-Home advertising, immediately attain added value to the services provided by supporting the effectiveness of the media to clients, justifying the value of the media and deepening the company's market insight greatly. However when lacking such systems, uncertainty arises among clients and even among company collaborators. The market urges a reasonable measuring solution, which would serve to understand and study external factors that may impact the business, such as the mobile trends causing media proliferation.

Awareness of new trends often leads to new opportunities. Aligned with this proposition, is the understanding of consumer mobile entertainment behaviors to develop disruptive and, especially, more interactive outdoor campaigns. Modern day population has adopted quite intimately new smart devices which are progressively peoples behaviors in several aspects of their daily live. Such technologies lead to many interactive possibilities mediated by a vast array of platforms. Nonetheless, cultural differences and awareness patterns play a major role on the success of such innovative marketing action.

5.2 Key Issues Faced in the Case Study

- The current business model easy replication by competitors is exposed, alongside with other threats, namely the great importance placed on winning and closing contracts and media proliferation.

- The claimed innovative vision is something that is challenged every day and represented in market research initiatives, creative custom solutions demanded by clients and tested on-field, by the audience.
- New technology waves extends tools and platforms that unveil opportunities to develop and extend the service provided to other realms, i.e. digital and social platforms, which need to be taken into account by current marketers.

5.3 Learning Objectives

Learning objectives aim to provide students the understanding of:

- The Out-of-Home advertising business and its operations.
- The current challenges faced by the Out-of-Home advertising industry.
 - Need for standard measurements
 - New trends
 - Media proliferation
- The following-up of an innovative vision, which also requires companies to be pro-actively aware of uprising technologies.
- The adoption and awareness processes of such interactive tools from the audience perspective.
- Interactivity benefits when communicating to consumers.
- Integration and interactive opportunities for outdoor campaigns facilitated by mobile technology.
- The consolidation process of the industry in terms of mergers and acquisitions

5.4 Teaching Objectives

Out-of-Home advertising business is a much understudied medium that still has a relatively low preference from marketing due to lack of reliability in terms of commercial impact despite its broad audience reach. On the other hand, this medium allows a level of creativity and interactivity that show a high engagement with consumers very important when developing marketing campaigns with brand awareness and brand identity development purposes.

The case study reflects this industry in Portugal by the JCDecaux affiliate, which illustrates the Innovate project, operations in Lisbon and differences in audiences in terms of technology awareness and adoption and expectations from brand communication. Through the literature review and the market research conducted, several aspects can be pin pointed when it comes to define a successful outdoor campaign. Interest manifested from clients and insights from the

audience provides examples on how to approach changing environments and on how to connect the opportunities to the company's weaknesses.

Furthermore, through the dual analysis of the Group and Portuguese affiliate strategy, the case study proposes to expose its relationship in terms of business strategy, as the Transport segment is only explored by JCDecaux in the airport, lacking alternative transportation means that the Group operates on in other affiliates. Being absent from bus, metro and train networks provides the reader the difficulty and importance that long term contracts represent for the sector. Interactive marketing is studied by benchmarking available IT solutions, providing a set of relevant factors that companies must account when planning such a campaign. The importance of breaking from the clutter is constantly referred across the whole paper, to emphasize the current needs of marketers in being able to stand out, communicate and engage with a consumer that is living in a world emerged in commercial stimuli and messages. Analysis of the survey and focus group are intended to support consumer beliefs and attitudes towards this medium that suggest how Out-of-Home advertising companies should endorse and integrate smart device and social media solutions.

The case study opens the discussion for Innovation Management topics in the advertising business, explores issues related to Consumer Behavior and provides an example for Internationalization Strategies that culminated in a leader position in the marketing. By providing a recent and modern scenario, the case becomes more interesting given the relative novelty of the Social Media and Smart Devices topics but also in the sense that initiatives and practices covered can be seen and experienced in reality, in any urban center.

5.5 Assignment Questions

1. Assume you are responsible for a small player in the global market. Discuss what strategy you would undergo in order to gain market share from JCDecaux and other players.
2. What factors should the Innovate team consider when planning future interactive campaigns that aim to improve consumer call-to-action and message recall?
3. Recommend one technology or marketing technique to be implemented in case, in order to:
 - a) Serve market research goals.
 - b) Improve user registration in a classified website.
 - c) Raise awareness of a new coffee shop and its location.

(Explain your answers)

5.6 Analysis Questions

1. Throughout the Group and industry history, a pattern regarding expansion and internationalization strategies should become clear:

- Enter markets with high Adspend estimates, namely Asian-Pacific and South America.
- Celebrate local partnerships to gather market knowledge and to develop competitive panel networks.
- Diversify among all Out-of-Home activities (Street Furniture, Billboard, Transport and Alternative)
- Research and develop new spaces and methods to engage with audiences

An international strategy to absorb market share from such big players, has to involve markets that are not yet mature and that present positive performance outlooks. By focusing on geographies where the market is still underdeveloped or fragment, allows the new company to engage in acquisitions to consolidate its market stake and exploit synergies from different players. Although the new company may lack the resources to conduct an aggressive acquisition strategy, it can move fast and adapt freely, given its relative smaller size. On the other hand, entering underexplored markets, but with high growth prospects and mobile affinity, outweighs the advantages by entering a mature market, with lower growth perspective. Growth should be leveraged on synergies and knowledge spillover that may happen during acquisitions or partnerships.

An important point to take into account is the diversification across outdoor areas, to be able to provide clients with a vast broadcast power, diffused over multiple channels: bus shelters, taxis, billboards, construction covers, public WCs, train stations, so forth. Additionally, the student should also recognize the importance of constantly be updated on the audience behaviors, thus reference should be made to market research and innovation initiatives.

2. Across the case study, JCDecaux's Innovate teams are described to provide disruptive, innovative and interactive solutions to specific requests from clients. Call-to-action and message recall are topics discussed in the literature review where several executional factors and considerations are pointed out. The student must make the connection between technologies and marketing techniques mentioned, recommending:

- User initiated participation, with interesting features that appeal and incentivizes audiences.
- Cross media platforms, to achieve viral and share behaviors and expand the audience to online.

- Customized experiences, to engage the consumer with the brand
- To be clearly designed and instructed, to avoid misunderstanding the campaigning or message.
- To be targeted to the end consumers, to deliver the right message
- To provide the adequate incentives to the audience.

3. The reader should be able to evoke 3 different tools mentioned throughout the literature review and analyzed in the case study.

a) To serve market research goals, the technique should be able to feed information to the internal systems on real time, and at the same time be rich and detailed enough to further study audiences. Tools like Bluetooth technology, Wi-Fi, NFC allow the pretended exchange of information. The student must also criticize the fact that this feature preferably must have opt-in opt-out features or that it should be complemented with an adequate incentive for people to engage.

b) Improving user registration on a classified website must be performed with a cross media tool that connects the outdoor display to the registration form/platform and provokes regular access to the website, given its business category. QR codes, short codes (messaging), and mobile apps, represent the most adequate tools to use, in this case. Reference to the completion of the subscription form and its upload to clients system should be made, discussing one of the following topics: data privacy, value proposition for the consumer, awareness of the technology used and regular access solutions.

c) Raise awareness of a new coffee shop and its location should be mediated by location base technologies or other creative techniques that effectively communicate the whereabouts of the establishment. Mobile apps, GPS-based technologies and Bluetooth solutions are the most adequate tools in the sense they can literally guide the user through the streets or action points via notifications or route displaying. Alternatively creative, non-technologic, actions can meet the same goals as long as it is disruptive and interactive enough to make the audience notice and reach the location.

6. Exhibits

Exhibit 1 – Street Furniture formats and examples

a) Bus Shelter



Source: <http://www.walldecaux-innovate.com/>

b) Public Restrooms



Source: <http://www.bondbrothers.com>

c) Trash bins



Source: <http://chicago-pipeline.com/2012/03/03/advertisin-supported-garbage-cans-pulled-questions-remain/>

d) Information Points/Digital Clocks



Source: http://digitalsignageuniverse.typepad.com/digital_signage_universe/times-square-new-york/

e) Benches



Source: <http://adv91colbyrenneisen.blogspot.pt/2013/04/out-of-home-advertisements.html>

f) Mupis



Source: <http://www.newsoutdoor.com/index.php?id=4720>

Exhibit 2 – Transport formats and examples

a) Metro/Tram/Train



Source: <http://www.campaignbrief.com/2011/11/helsinki-melbourne-wins-gold-d.html>

b) Airport



Source: <http://www.signageinfo.com/digitalsignage/4256/suzuki-swift-in-digital-media-first/>

c) Bus



Source: <http://www.advertiseonbillboards.com/products/>

d) Bicycle



Source: <http://www.brisbanetimes.com.au/queensland/how-advertising-makes-the-citycycle-go-round-20101001-160gw.html>

Exhibit 3 – Billboard formats and examples



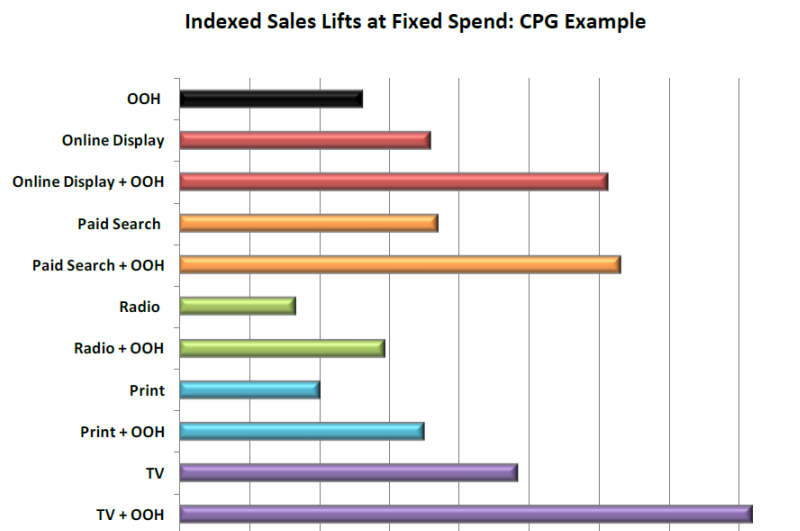
Source: http://adsoftheworld.com/media/ambient/koleston_naturals_change

Exhibit 4 – Alternative formats and examples



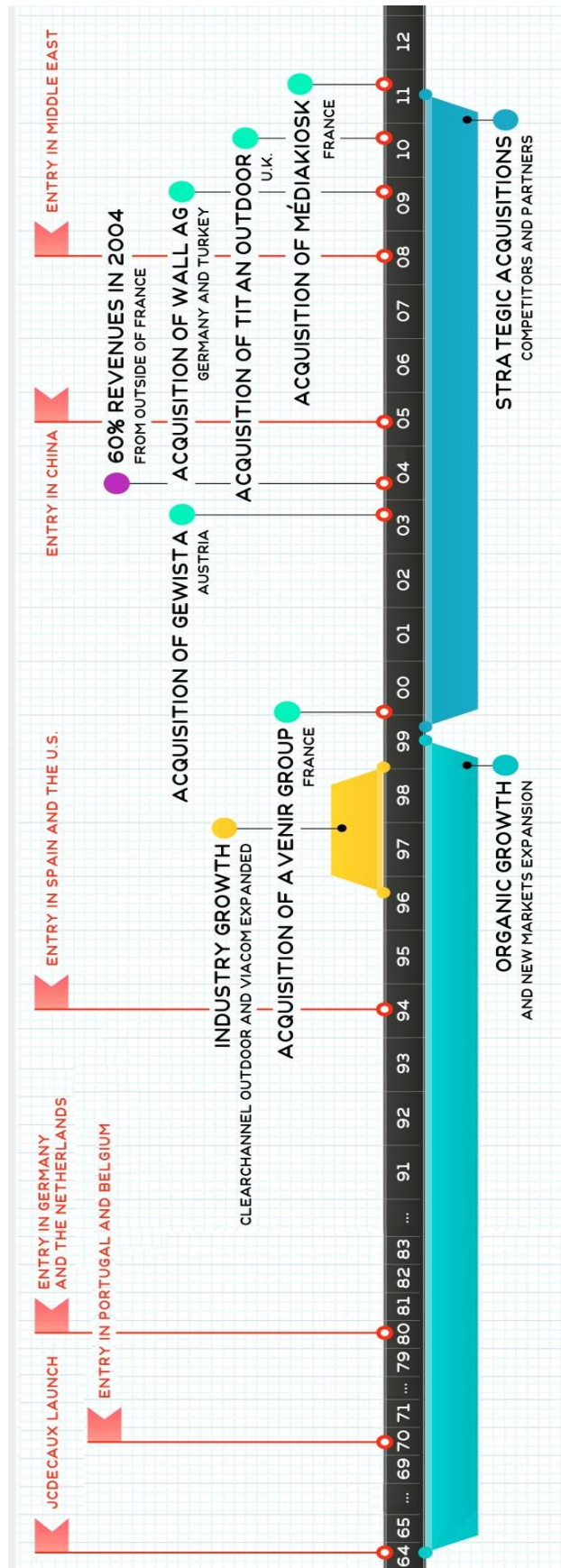
Source: <http://veultras.blogspot.pt/2011/09/combat-ence.html>

Exhibit 5 – Sales lifts when combining Out-of-Home in a marketing mix



Source: Marketshare Partners 2010

Exhibit 6 – JCDecaux Group Timeline: internationalization and acquisitions



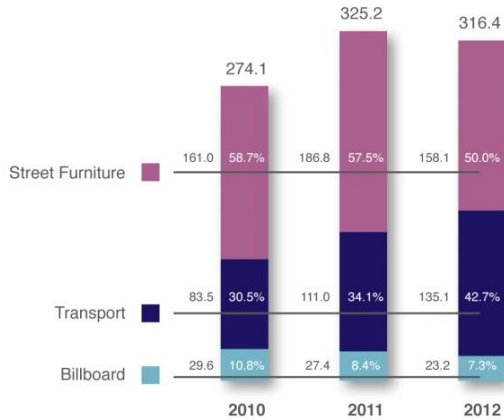
Source: JCDecaux

Exhibit 7 – JCDecaux’s Group Performance in 2012

a) EBIT, Net Income, Free Cash Flow and Employee breakdown by region

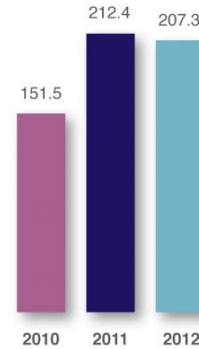
EBIT BEFORE IMPAIRMENT CHARGES

(in € million, segment's share in %)



NET INCOME GROUP SHARE BEFORE IMPAIRMENT CHARGES

(in € million)



EBIT* before net impairment charges** decreased by 2.7% to €316.4 million compared to €325.2 million in 2011. As a percentage of consolidated revenues, this represents to 12.1% (2011: 13.3%).

Net income Group share before net impairment charges* decreased by 2.4% to €207.3 million, compared to €212.4 million in 2011.

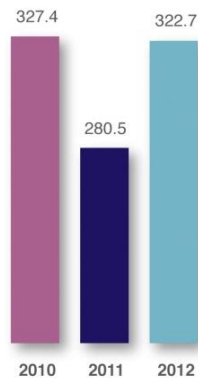
* EBIT: Earnings Before Interests and Taxes = Operating Margin less Depreciation, amortization and provisions, less Maintenance spare parts, less impairment charges, less other operating income and expenses.

* The net impairment charge resulting from the impairment test conducted for goodwill and tangible and intangible assets amounts to €44.5 million in 2012, €(0.2) million in 2011 and €(21.8) million in 2010.

** The net impairment charge resulting from the impairment test conducted for goodwill and tangible and intangible assets amounts to €45.8 million in 2012, €(1.9) million in 2011 and €(4.9) million in 2010.

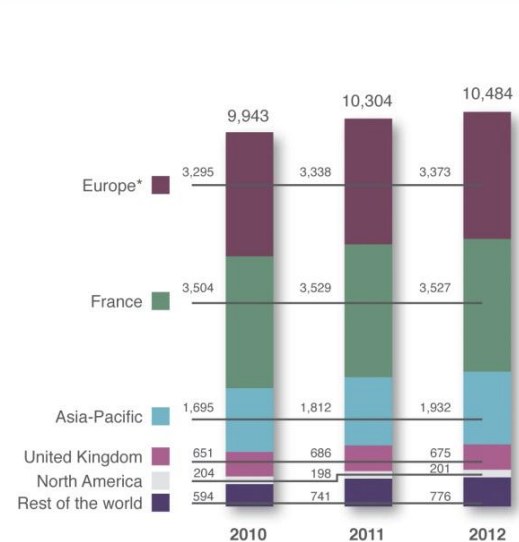
FREE CASH FLOW

(in € million)



In 2012, free cash flow* was €322.7 million compared to €280.5 million in 2011 (+15.0%)

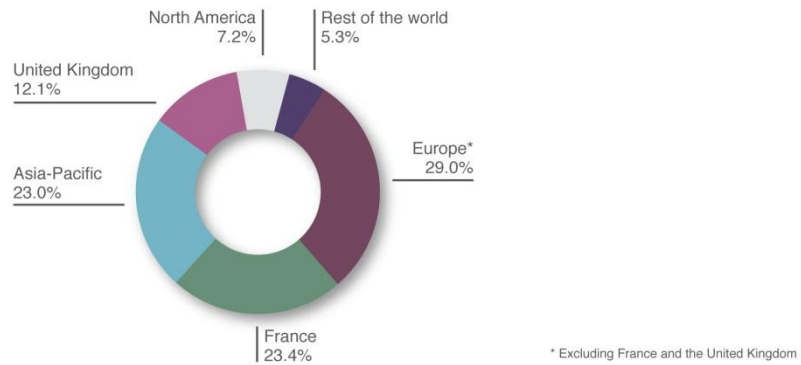
EMPLOYEE BREAKDOWN BY REGION



* Excluding France and the United Kingdom

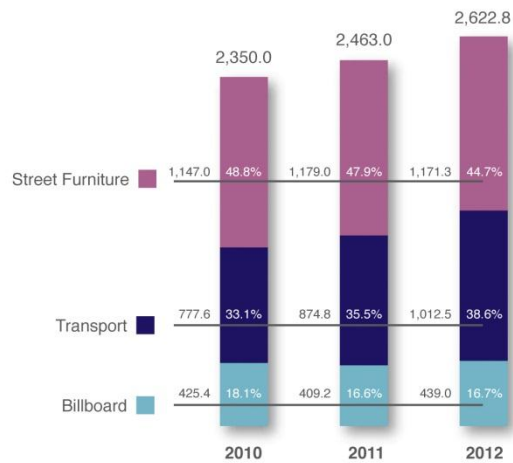
b) Revenues by Region and by Business and Operating Margin

REVENUES BY REGION



REVENUES BY BUSINESS

(in € million, segment's share in %)



In 2012, the Group's revenue increased by 6.5% to €2,622.8 million. Excluding acquisitions and the impact of foreign exchange, organic revenue growth was 1.5%.

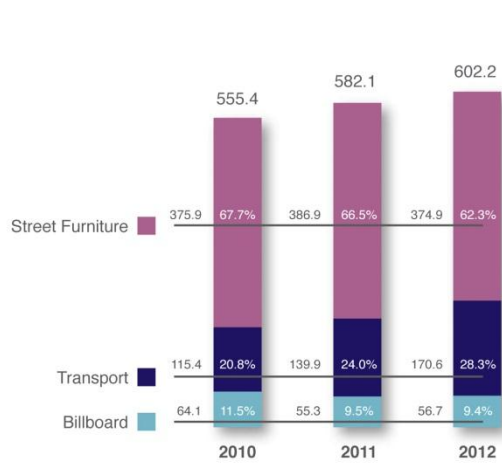
Street Furniture revenues were €1,171.3 million, a decrease of 0.7%. Excluding acquisitions and the impact of foreign exchange, the decrease was 1.9%.

Transport revenues grew by 15.7% to €1,012.5 million. Excluding acquisitions and the impact of foreign exchange, organic revenue growth was 8.9%.

Billboard revenues increased by 7.3% to €439.0 million. Excluding acquisitions and the impact of foreign exchange, organic revenue decreased by 4.8%.

OPERATING MARGIN BY BUSINESS

(in € million, segment's share in %)



Group's operating margin* increased by 3.5% to €602.2 million from €582.1 million in 2011. It accounts for 23.0% of consolidated revenue.

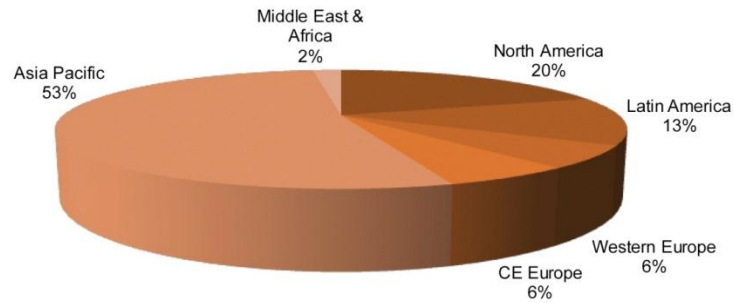
* Operating margin: Revenue less Direct operating expenses (excluding Maintenance spare parts) less SG&A expenses.

Source: JCDecaux Annual Report 2012

Exhibit 8 – Industry Forecasts

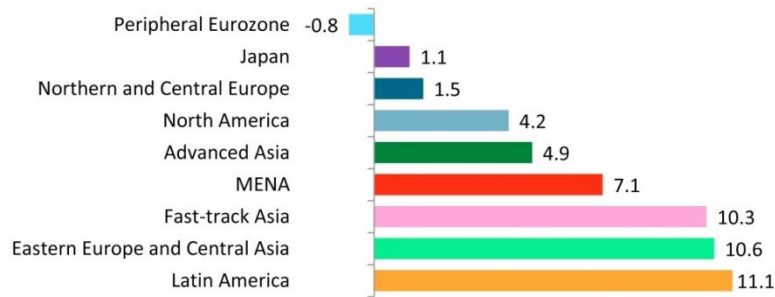
a) By Region

Forecast Share of Ad Spend 2012



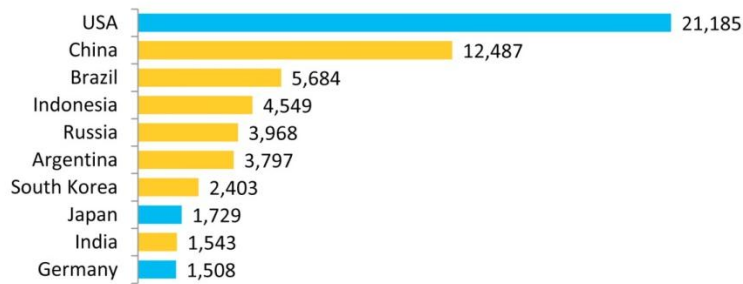
Source: GroupM, Dec 2011

Average annual growth in adspend by regional bloc 2012-2015 (%)



Source: ZenithOptimedia

Top ten contributors to adspend growth 2012-2015 (US\$ million)



Source: ZenithOptimedia

Top ten ad markets

US\$ million, current prices. Currency conversion at 2011 average rates.

2012		Adspend	2015		Adspend
1	USA	161,241	1	USA	182,427
2	Japan	51,724	2	Japan	53,453
3	China	36,190	3	China	48,678
4	Germany	25,646	4	Germany	27,155
5	UK	19,502	5	Brazil	23,901
6	Brazil	18,217	6	UK	20,689
7	France	13,525	7	Russia	13,714
8	Australia	12,633	8	Australia	13,658
9	Canada	11,325	9	France	13,456
10	South Korea	10,899	10	South Korea	13,303

Source: ZenithOptimedia

Table 3: Year-on-Year Adspend

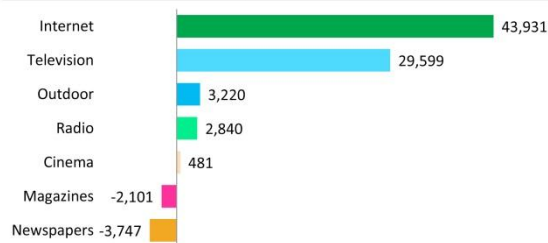
	2011 vs. 2010	2012 vs. 2011	2013 vs. 2012
Global	3.7	4.8	5.3
North America	1.8	3.6	3.8
USA	1.6	3.6	3.8
Western Europe (incl. Nordics)	1.4	1.5	2.6
Belgium	3.4	0.1	3.2
France	2.5	1.3	2.5
Germany	2.7	2.1	2.5
Italy	-3.6	-1.6	2.0
Netherlands	-0.3	2.7	0.8
Portugal	-7.1	-3.0	2.5
Spain	-7.0	-2.8	0.5
UK	1.5	3.2	3.6
Denmark	2.9	1.0	-0.1
Finland	6.6	3.2	1.9
Norway	6.2	3.0	3.0
Sweden	7.0	1.8	2.6
CE Europe	8.0	6.5	9.1
Croatia	18.1	10.0	10.0
Czech Rep	0.0	1.3	3.6
Estonia	8.1	5.0	9.1
Latvia	2.8	-0.2	0.6
Lithuania	0.2	2.0	2.2
Russia	21.3	13.4	14.6
Slovakia	5.6	-0.8	1.8
Slovenia	7.1	6.5	6.4
Turkey	18.1	12.1	12.2
Ukraine	7.7	11.8	10.4
Asia Pacific	6.4	7.4	7.6
Australia	1.5	1.6	4.3
China	18.4	16.3	15.6
India	9.8	6.8	8.8
Japan	-1.7	3.1	1.9
S Korea	8.8	6.9	4.4
Latin America	9.9	9.3	8.2
Argentina	31.6	17.0	15.0
Brazil	8.8	7.7	7.5
Chile	9.2	7.1	6.3
Uruguay	-8.2	-0.1	1.6
Middle East & North Africa*	-14.9	1.0	2.8
Oman	-10.1	-4.7	-0.3
Qatar	-20.6	-9.9	-5.0
Saudi Arabia	-6.1	-4.4	-0.3
UAE	-16.0	-8.9	0.2
Israel	-0.8	2.7	3.5
South Africa	8.0	8.0	10.0

Source: ZenithOptimedia, Mar 2012

*excludes Israel & South Africa

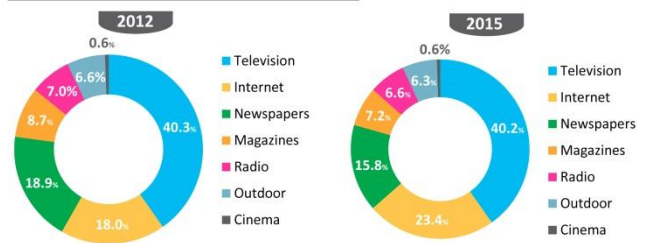
b) By Media

Contribution to global growth in ad expenditure by medium 2012-2015 (US\$m)

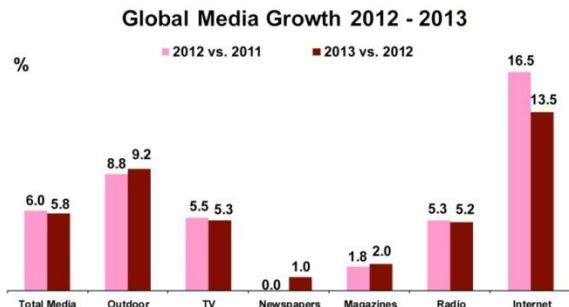


Source: ZenithOptimedia

Share of global ad expenditure by medium (%)



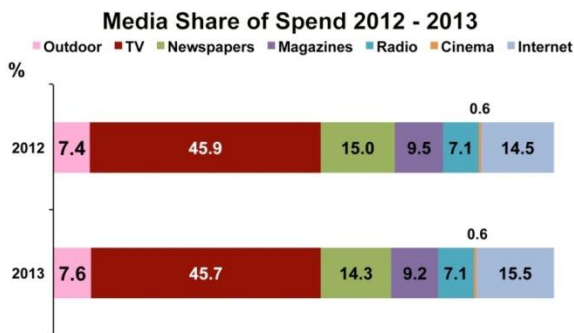
Source: ZenithOptimedia



Source: Carat, Mar 2012

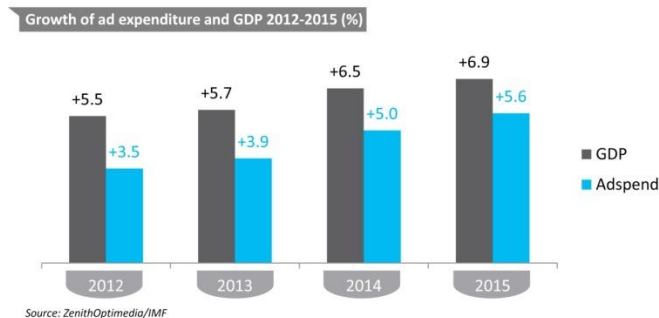
Table 1: Global Adspend Forecasts Comparison

All Media & Outdoor Year-on-Year %		2013 vs. 2012
ZenithOptimedia, Mar 2012	All Media	5.3%
	Outdoor	4.7%
Carat, Mar 2012	All Media	5.8%
	Outdoor	9.2%
GroupM, Dec 2011	All Media	5.8%
	Outdoor	N/A



Source: Carat, Mar 2012

c) Adspend and GDP growth estimates



Source: ZenithOptimedia/IMF

Exhibit 9 – Intelligent Street Furniture

a) Décodeur Urban: set of applications and interface of digital displays

Content organised around 4 themes

Getting around
Providing content-rich, localised information in real-time.

Things to do locally
Offering city-dwellers a choice of local services, relevant to them.

Discovering Paris
Helping city-dwellers and tourists to learn more about the city.

Culture & information
Providing users with entertainment when taking a break or waiting for a bus.

In the version designed for the initial launch, the "Décodeur Urbain" includes the applications and content developed by the following partners:

- AFP
- AfterMidnight
- DisMoiOù
- Le Routard
- Mystères de Paris
- PagesJaunes
- Parcours
- ParisBouge
- Quiz in Paris
- RATP
- RMC/BFM association
- Taxis ranks
- Vélib' cycle racks
- Yourbandeals

Changing the look & feel depending on the time of day

The interface adapts its visual style to the time of day, with color schemes and content layout changes for Dawn, Day, Dusk, and Night.

b) Concept-Bus Shelter



- 1 Digital display, 72-inch screen
Images from the Parisienne
de Photographie picture gallery
and the City of Paris
- 2 Wider bench along its entire length
- 3 AFP news feed, bus waiting times
- 4 Glazed roof, acting as
a filtering and lighting system
- 5 Defibrillator
- 6 42-inch "Décodeur Urbain"
- 7 22-inch e-Village screen displaying
classified ads
- 8 22-inch "Décodeur Urbain",
accessible to wheelchair users.
- 9 USB sockets, to charge
mobile phones

c) Digital Harbour



- 1 Free WiFi access indicated
by the illuminated circle
- 2 A 42-inch "Décodeur Urbain"
touchscreen
- 3 Seats equipped with USB sockets to recharge
electronic devices
- 4 Self-maintaining plant-covered roof
- 5 Load-bearing elements
covered with laminated wood
- 6 2 sockets to plug in electronic devices

d) Play Table



- 1 A swivelling table providing
access for a wheelchair
- 2 2 large multi-touch screens
- 3 Very high-quality colour
image, full HD

e) Digital Totem



- A brightly illuminated,
72-inch colour screen
- Controlled by an efficient management tool:
>> Remote control system,
24 hours a day, 7 days a week
>> All types of broadcasting
>> 100% secure
>> Remote breakdown monitoring
- High quality colour image, full HD
- Level of brightness adapts to the ambient
light through a photoelectric cell

f) e-Village









- 1 22-inch multi-touch
displays
- A 3-sided totem allowing
simultaneous and private interaction.
- A screen positioned at a low level
for individuals with reduced mobility.
The design includes easy access
for people in wheelchairs.

Source: JCDecaux (2012)

Exhibit 10 – Quick Response codes

a) Types of QR codes in Japan

Name	Features	Example
QR Code	<ul style="list-style-type: none"> • Three-position detection patterns. • Error correction ability. • Requires at least a four-module wide margin around a symbol. • Capable of storing up to 4,296 alphanumeric and 7,089 numeric characters. 	
Micro (マイクロ) QR Code	<ul style="list-style-type: none"> • One-position detection patterns. • Requires at least a two-module wide margin around a symbol. • Capable of storing up to 35 numeric characters 	
Double (ダブル) QR Code	<ul style="list-style-type: none"> • A smaller QR code is embedded in an original QR code. • The two QR codes can contain different information. • Capable of storing twice as much information as an original QR Code. 	
Color (カラー) QR Code	<ul style="list-style-type: none"> • Same feature as an original QR code. • Use of colors to stand out 	
Designed (デザイン) QR Code	<ul style="list-style-type: none"> • Same feature as an original QR code. • An image as large as one quarter of a QR Code size can be embedded • An image may be placed everywhere, except in a position detection pattern 	
Designed (デザイン) QR Code	<ul style="list-style-type: none"> • Same features as an original QR code. • An animated image may be embedded • Code can be scanned while the image is moving. 	

Note: Double QR Code and Animated QR Code were examples from the Web site of Design QR (IT DeSign, 2008).

Source: Dou & Li (2008)

c) Short codes



Short codes are special numbers, shorter than regular telephone numbers that allow an exchange of communication between marketers and consumers and can be used for sweepstakes, subscription to newsletters, discount claims, and so forth.

b) Creative examples of QR codes



Creative illustrative QR code campaign
Source: Dou & Li (2008)



QR code embedded in a street walk in Brazil
Source: <http://www.ubergizmo.com/2013/01/qr-codes-embedded-on-brazilian-sidewalks/>



Alternative animated QR code
Source: <http://www.prepressure.com/library/technology/qr-code/design>



QR code used at museums
Source: <http://www.tnooz.com/2012/10/02/talking-traveltech-blog/cuddling-up-to-qr-codes-in-the-contemporary-art-world/>

7. Appendixes

Appendix A – Focus Group Transcript:

Q₁: Do you know what out of home advertising is?

Q₂: Are you aware of its display formats?

All: Billboards, ads on Buses, in decorated cars, in subway carriages, at WCs above the toilets, posters all over (metro, buses, on the street), Flyers (Antero), and other of the same kind.

Nuno: It can be those stickers on Buses.

Antero: Out-of-home advertising is probably those interactive activities you seen on the street. Billboards are boring, less useful and recallable; Nuno: I agree.

- Examples displayed: Samsung Note at Chiado; Street Mupis and ads at Bus shelters -

Antero: I don't even pay attention to Bus shelters' ads.

Q₃: Which ones do you recall seeing around the most? Why?

Nuno: I remember this Axe initiative at an elevator for a parking lot that simulated a spaceship rocket launch. And the one with that hot female model. There is this building where you can pay to display a message on the window. I have seen it on some ads, including one that was a marriage proposal. I also remember a digital billboard near Amoreiras Shopping and one ad from Delta where posters about the product seemed connected with this decorative wall sticker. Moreover I saw this video about this Asian supermarket chain that had wallpapers on the subway displaying products that allowed people to purchase goods with the phone and they would be home delivered.

Antero: I remember that type of posters with sexy women on it. There was this ad at the metro for some shampoo that stood at the wall above the head of those sitting at the benches. There is an ad from ZON that is a huge panel covering a whole building that is under construction. And there is this permanent outdoor from Optimus in Avenida da República, the previous one was better, it had a harmony that embellished the view.

Jesus: I remember this poster about BBK Live, a live music event in Bilbao, because I like it and attend it.

Both: They are interactive or at least entertaining. The boring ones I don't even remember.

Q4: What are your thoughts about this type of advertising? Why?

Antero: They can be useful to ornament the city landscape, especially in Lisbon with so many decaying old building, as long they have a harmony that embellished the view. If they aren't related or included in an esthetic strategy, they can become visual pollution.

Jesus: It is usually creative advertising and it belongs to the cityscape. If there were no ads displayed outside in the street I would notice something was missing. Bus shelters would seem naked.

- Explanation of QR code -

Q5: Have you ever scanned a QR code? What did you think it was supposed to be?

Nuno: I have scanned before, but it isn't that useful. I and my friends tried to scan one that is embedded in the street floor at Baixa but it did not work.

Antero: I have downloaded a QR code scanner, but never used it. I downloaded it because I needed it one time.

Jesus: My phone does not support. (Antero mentions that it does support it because they have the same model). But I know what it is: it is those little squares that allow communication of information. I have heard about it being used in some sort of treasure hunt game.

- Explanation of NFC (near field communication) -

Q6: Have you user used this type of technology? Would you be willing to use it? Why? Why not?

Both: I'm aware of it, but I don't know much about it yet.

Antero: If using it, meant that the ads displayed would change into ads related to mine interests I wouldn't do it. I wouldn't want people to see my interests displayed.

Jesus: I recognize what it is, but I would never be interested in using it.

Q7: What are the moments outside home when you check/use your phone the most?

Antero: At the subway or when commuting to read the news.

Nuno: Sometimes I use it when there's traffic.

Jesus: I use it for basic stuff. Communicating with friends, maybe take some photos. I used it more as an mp3 player than anything.

Q₈: Describe your behavior when standing/sitting under a Bus shelter

Antero: I usually smoke or use my phone. When I'm looking at it I don't pay attention nor do I read outdoor ads.

Jesus: I look around. Sometimes I read and stare at some advertisements; after all it is difficult to miss it because it is included in the urban landscape.

Q₉: Describe the process when you pass/drive by a Mupi or billboard?

All: I look at it briefly, sometimes I pay a little more attention if it entertains or interests me. And I also evaluate the models present on some ads.

Q₁₀: Have you ever taken a photo of an outdoor ad? Why? Why not?

Nuno: No.

Antero: I had the intention of taking a photo of this street political poster mocking the government and European Union leaders where they were caricatured at a casino, it was funny. I never really did it. I'm always rushing when I pass by it.

Jesus: No, you don't take a photo of an advertisement you liked, you simply remember it. When it is a good one, there is no need to "take it with you". Not to mention that you can always search for it online, although it is hard to find the exact one.

Appendix B – JCDecaux Portugal Interview Transcripts

Interview #1

Joana Teixeira - Innovate Manager
5 de Abril 2013

Q: Como funciona a JCDecaux Portugal, qual a sua estrutura organizacional?

- Departamento Comercial:
 - Innovate - Soluções publicitárias especiais
 - Marketing - Consulting para clientes
- Departamento relações externas (contractos c/ Municípios)
- Departamento financeiro
- Departamento distribuição

Áreas de negócio:

- JCDecaux Airport
- Rede
- Street furniture

Formatos:

Podiums, Mupis, Mupi senior, 8x3, Billboard, Sinalagem, entre outros.

Q: Quais são as responsabilidades como representante da JCDecaux em Portugal?

Distribuição e Contractos nacionais

Q: Como caracteriza o mercado da JCDecaux em Portugal? Que segmentos e que concorrentes existem?

Concorrência:

- Cemusa
- MOP
- Outros pequenos concorrentes
- Carris (exploração de publicidade feita pela própria empresa)

Q: Qual é o modelo de negócio com clientes?

Os clientes esperam da JCDecaux soluções publicitárias para break from the clutter, viralização, Facebook, share, etc., com design criativo.

Q: A JCDecaux estuda a sua rede de outdoors? Que actividades de market research desempenham? O que estudam em concreto e como aplicam ao negócio?

Houve várias iniciativas para definir e realizar essa medição de audiência mas não resultaram em nada em concreto, apesar de haver grande interesse da parte da empresa. No entanto o custo não pode ser suportado sozinho pela empresa pelo que a eventual medição de audiências dependerá do mercado, outros agentes como outros operadores e agentes.

Existe informação interna sobre audiência que foi recolhida fazendo um levantamento geográfico de pontos de interesse e negocios circundantes aos faces publicitários. É depois mapeado e apresentada uma rede target por um programa de targetização.

Demasiada informação (Market Research) é desperdício que as marcas não querem.

Q: De que modo é que a JCDecaux se diferencia dos seus concorrentes?

Através do design dos faces que são Trademark. Há um reconhecimento internacional da marca JCDecaux. A diferenciação também passa pelas soluções criativas especiais que a equipa Innovate prepara

Q: Faz sentido a JCDecaux segmentar os seus serviços e produtos para publicos diferentes de modo a oferecer um solução mais personalizada aos seus clientes? A repetição da mensagem é a estrategia dominante no meio?

Sim mas depende sempre do cliente, dos seus objectivos da campanha, do briefing, do produto, da mensagem. A frequência, cobertura e disruptura do clutter são os três aspectos mais importantes.

Q: Como medem o sucesso de um projecto?

Através de feedback do clientes pelos seu impacto nas receitas

Q: O OOHA ainda é um bom meio para abordar o público, ou o trabalho criativo apenas tem se tornado mais complicado?

O OOHA é um bom meio pois as pessoas passam cada vez mais tempo fora de casa. O OOHA, ao contrário da TV, Rádio, Jornal, etc, não dá para desligar ou bloquear.

Existem estudos que comprovam que as pessoas passam mais tempo fora de casa, jantam fora, vão ao cinema, vão sair, vão às compras, etc. Para além disso, os panels OOH estão no meio, no ambiente onde as pessoas passam o que se torna inevitável o seu contacto.

A adopção e uso constante dos smartphones tem alterado os comportamentos quotidianos e sociais das pessoas, o modo como se deslocam, como se informam e como interagem com o meio envolvente. Apesar da preferência pelo OOH seja crescente dado o seu custo-eficiência, os estímulos aos quais as pessoas são expostas diariamente são cada vez mais e mais diversos.

Q: Acredita que o OOH esteja a perder poder de transmissão das mensagens pela saturação das pessoas?

Não. Existe muito ruído ao panel publicitário, a paisagem urbana, outros panels, natureza, e outras interações como atender uma chamada, escrever uma mensagem. O uso do smartphones apenas faz parte desse ruído. Apesar da existência deste ruído o OOH nunca passa despercebido pois fazendo parte do meio acaba por passar sempre algum tipo de estímulo, mesmo que subliminal.

Q: Através das iniciativas já lançadas pela JCDecaux crê que existe um movimento no OOH de substituição do print para digital?

Não, no curto prazo não acontecerá. No médio-longo prazo é possível, no entanto o print tem ainda muitas vantagens para o OOH outdoor, que por razões de vandalismo e custos energéticos, representam um custo de manutenção muito menor.

Q: De que modo é que a empresa tenta adaptar-se face a estes os novos hábitos mobile?

Usando o recurso a várias tecnologias e criatividade para interagir com a audiência e promover a viralização de conteúdo na web.

Q: O futuro do OOH passa pela integração de funcionalidades com estes aparelhos?

Sim, mas não só.

Q: Qual a sua opinião sobre funcionalidades como o QR code?

É uma tecnologia muito interessante mas muito mal usada em Portugal. Em primeiro lugar o uso que as empresas fazem dos QR é muito impulsivo, sem estratégia definida. Apenas querem apresentar um QR code pois está na moda. Em segundo lugar, na cultura portuguesa o hábito de consulta de QR é algo que não está ainda embutido em comparação com outros países, o que por sua vez também exige menos dos QR existentes. Contudo é um ponto de ligação

online/offline útil que necessita de uma contextualização na campanha para se tornar eficaz e eficiente.

Q: Qual a sua opinião sobre tecnologias de comunicação wireless como bluetooth, wifi, NFC e o seu uso no OOHA?

Permitem uma liberdade criativa muito ampla para realizar campanhas interactivas com ferramentas associadas a Social Networks, Multitouch screens or even Augmented Reality. No entanto há que frisar que guerrilla marketing é algo muito gritante e agressivo que implica a rotura de algumas normas e legislações, algo impensável para a JCDecaux dado que tem contratos com os Municipios e Centros comerciais.

Q: Qual a visão da JCDecaux Portugal quanto a inovação?

O papel da inovação no Outdoor (ou comunicação Out of Home) – em todas as suas variantes, entre as quais se destaca a aplicação de diferentes tecnologias - é fundamental porque lhe acrescenta valor e potencia a complementaridade com outros meios e plataformas de comunicação. O mercado vive uma mudança de paradigma na abordagem do negócio e nesse sentido é natural que se procurem cada vez mais soluções diferenciadoras no que respeita a campanhas publicitárias.

Hoje é necessário fazer coisas novas e de novas maneiras: impactar, entreter e interagir com o consumidor, tendo em conta que quanto mais transversal e integrado o conceito de comunicação de uma campanha for, maior a sua eficácia. As marcas procuram cada vez mais soluções customizadas para comunicar a sua identidade e oferta de forma criativa e disruptiva, criando relação com o consumidor. Por seu lado, o consumidor utiliza cada vez mais a tecnologia. Por isso, a forma mais eficaz das marcas se distinguirem é através de aplicações tecnológicas que interagem de uma forma cativante e com significado emocional e funcional para ele.

Actualmente, o consumidor não quer apenas receber mensagens, mas sim participar na construção da mesma e partilhá-la. Nós, JCDecaux, estamos cá para alimentar isso. E alimentamos por via da aposta na inovação que é para nós um posicionamento estratégico. De tal forma que temos uma área de negócio inteiramente dedicada à criação das mais variadas soluções que cumpram este fim – a JCDecaux Innovate. Está no nosso ADN manter-nos fiéis a dois pilares: pioneirismo na inovação e oferta de qualidade nos nossos produtos para satisfazer as exigências e necessidades dos nossos clientes.

Interview #2

Joana Charrão – Sales Department
2nd May

Q: Que estudos de pesquisa existem sobre o out of home advertising? Quem os realiza?

Existem vários estudos de OOH dependendo do objectivo que se pretende. Todos os players do mercado OOH podem realizar os estudos, depende da temática que se esteja a desenvolver.

Q: Como é usada a informação recolhida? Como funciona o sistema de mapeamento e targetização de campanhas usado pela JCDecaux?

As campanhas de targetização são construídas de acordo com o objectivo de comunicação do cliente, utilizando pontos de interesse (sejam eles os pontos de venda do cliente, locais onde o consumidor da marca está, ou outros que o cliente nos faculte) que se cruzam com os nossos equipamentos espalhados pelo país. Para que este sistema funcione em pleno apenas é necessário que se cruzem as coordenadas GPS dos pontos de interesse e as dos nossos equipamentos.

Q: O sistema usado serve bem as necessidades da empresa e clientes? Com que frequência é atualizado?

Até agora o cliente tem ficado muito satisfeito, e de acordo com o feedback obtidos os seus objectivos de comunicação têm sido atingidos. É actualizado diariamente.

Q: Como são apresentados os dados de uma rede targetizada a um cliente?

A apresentação é sempre feita de acordo com o objectivo de comunicação da marca, e é sempre realizada uma comparação entre as faces comercializadas e os POI's cobertos por essa rede.

Q: Quantas campanhas a JCDecaux realiza por mês? Quantas Innovate?

Varia muito, pois depende muito das redes target que entram, mas digamos que em relação a redes tabela, podemos ter 60 campanhas semanais por mês e 20 campanhas quinzenais. Em média, no último ano, temos tido 1 campanha innovate por mês.

Q: Quais os principais clientes? Que clientes pedem preferencialmente mais projetos especiais (Innovate)?

Grupo Sonae, L'Oreal, Vodafone, Meo, Zon, Biersdorf, Unicer, etc. Todos os clientes requisitam projectos especiais, no entanto um concretizam mais que outros. O nosso top 5 realiza pelo menos 1 campanha Innovate por ano.

Q: Qual a quota de mercado da JCDecaux PT em Lisboa? E a nível nacional?

A quota tem sempre que ser vista pelo todo. A JCDecaux tem os principais eixos viários da cidade de Lisboa e de acordo com os dados MMW, Fev. 2013, a quota de mercado da JCD representa 45.77% do investimento publicitário no mercado OOH.

Q: Qual a proporção de vendas feitas a agências e a clientes directos?

Cerca de 78% do investimento na JCD é feito via agência (media seller), os outros 22% são de clientes directos.

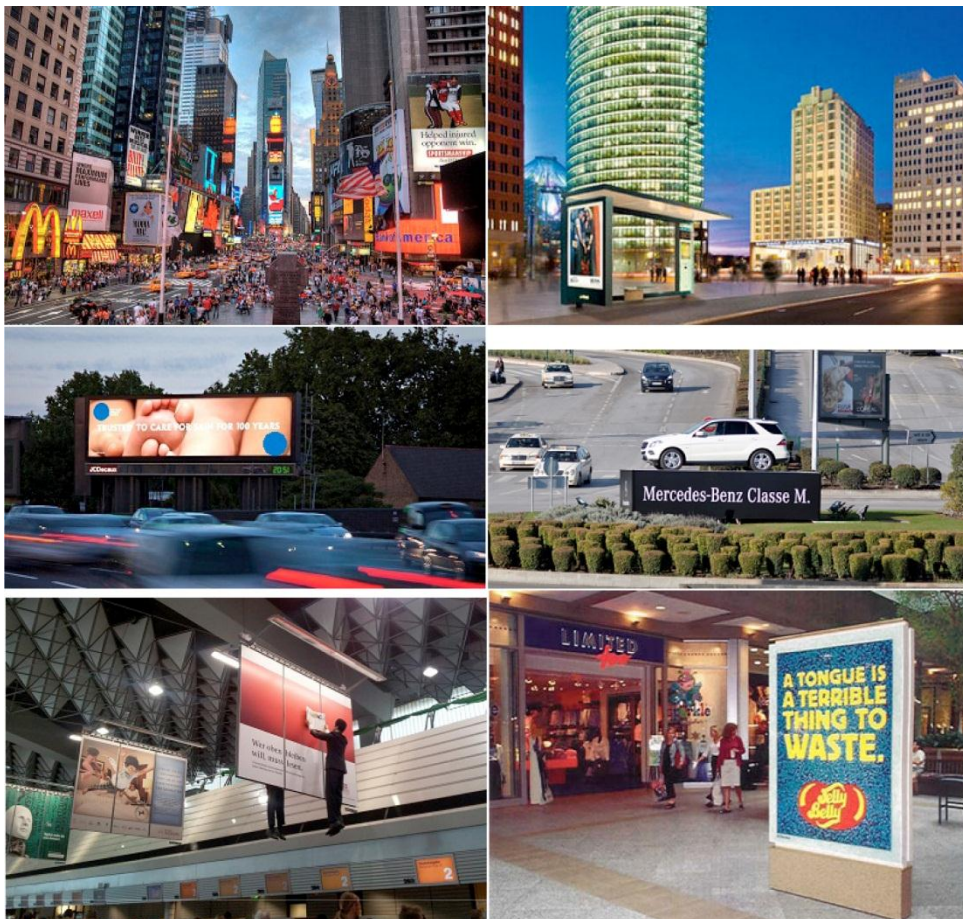
Appendix C – Online Survey

a) Survey Template

This survey was designed to study out-of-home advertising and mobile behaviors. Its purpose is purely academic and will serve as a market research tool in my master's thesis. It was made not to take more than 5 minutes of your time.

Out-of-Home Advertising

Out-of-home advertising (or outdoor advertising) is all media formats that are specifically intended to reach consumers when they are outside home. Consumers experience this communication tool when they are on the go via ads displayed on public places, buildings, public transportation and malls for example. These are some examples of out-of-home advertising formats



1. Think about 2 out of home advertisements (product or brand name) you remember seeing around the city

Advertisement #1

Advertisement #2

2.1 What made you remember Advertisement #1?

1. It was everywhere
2. It was very creative
3. Lots of people talked about it/shared it online
4. It was very funny
5. It was very bad/boring/unappealing
6. It helped me purchasing something
7. Other

2.2 What made you remember Advertisement #2?

1. It was everywhere
2. It was very creative
3. Lots of people talked about it/shared it online
4. It was very funny
5. It was very bad/boring/unappealing
6. It helped me purchasing something
7. Other

3. What would be more interesting/ cool in out-of-home ads? Drag and rank (1st to 6th) the following options according to your level of interest.

- Augmented reality _____
- Creativity _____
- Ads that interacted with me _____
- Ads related to my interests _____
- Collectible mobile coupons via QR codes _____
- Collectible mobile coupons via Near Field Communication _____

4. For which purpose would you use these technologies if available at bus stops or Mupis (poster panels) around the city?

1. To get special promotions/discounts
2. To access more information about the product or company website
3. I would only check it out of curiosity
4. I would not use it, it is a waste of time
5. I would not use it, I don't like to expose my phone unnecessarily
6. No, I don't understand what I would gain from it



5. Have you ever scanned a QR code with your phone?

1. Yes, it was interesting.
2. Yes, but it was useless.
3. No, never installed a QR reader
4. No, my phone doesn't support it
5. Don't know what QR code is



6. Are you aware of Near Field Communication concept?

1. Yes
2. No

7. Please drag and rank (1st to 6th) the following situations when you use your phone the most

- Home _____
- School/University/Work _____
- Wherever I eat _____
- Public transportation _____
- Outdoors when walking _____
- Outdoors when relaxing/socializing _____

8. Do you already use any ad-based mobile App?

1. Yes
2. No
3. Dont know

9. What is your main transportation mean?

1. Car/Motor Bike
2. Public transportation
3. Bicycle
4. Walk

10. Gender:

1. Male
2. Female

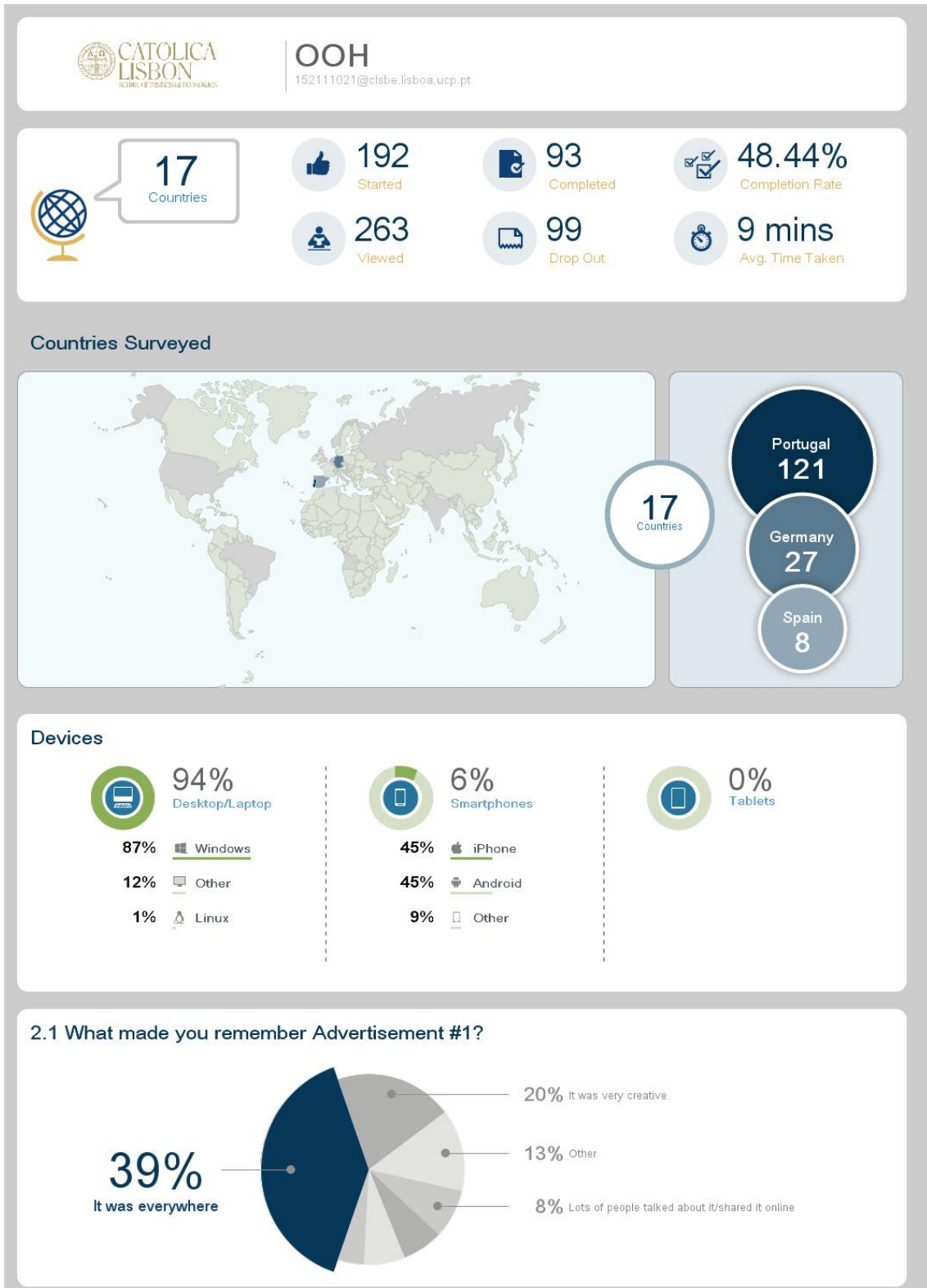
11. Age:

1. 15 or younger
2. Between 16 and 21
3. Between 21 and 30
4. Between 30 and 45
5. Older than 46

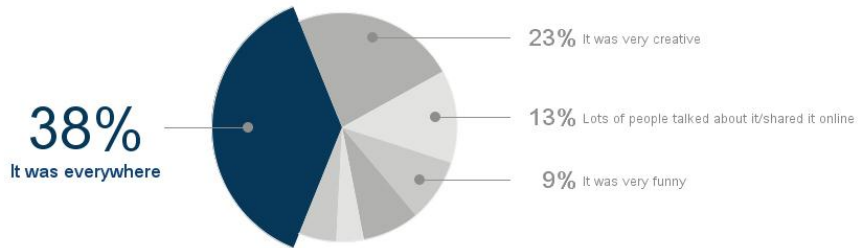
12. Are you Portuguese?

1. Yes
2. No

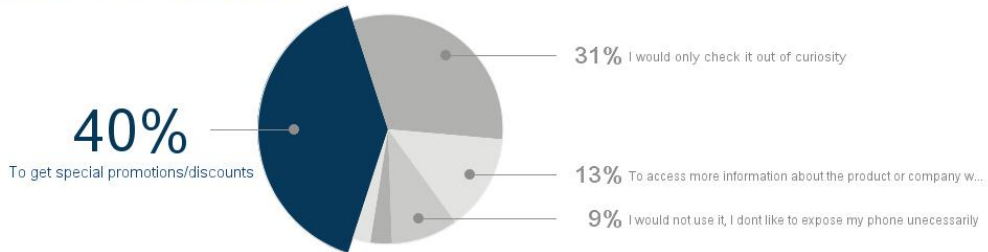
b) Survey Results Infographic



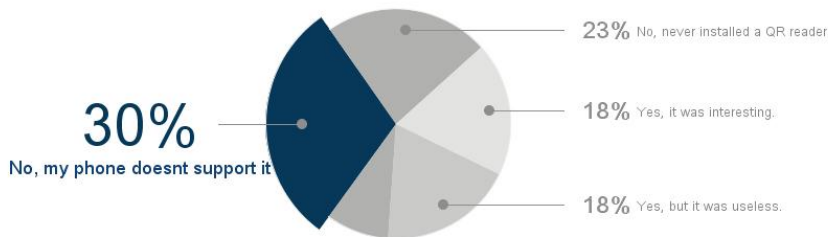
2.2 What made you remember Advertisement #2?



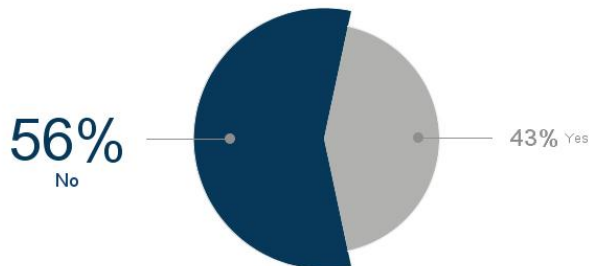
4. For which purpose would you use these technologies if available at bus stops or Mupis (poster panels) around the city?



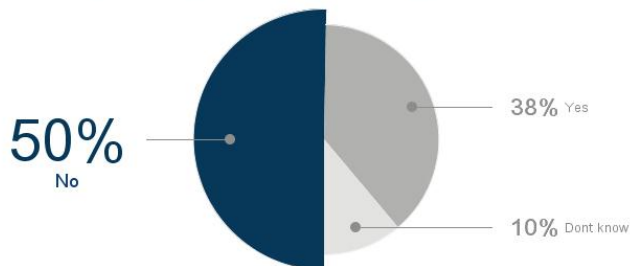
5. Have you ever scanned a QR code with your phone?



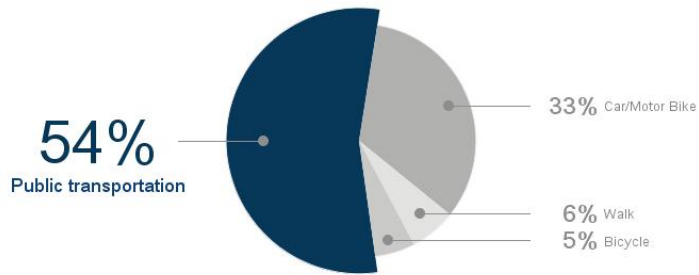
6. Are you aware of Near Field Communication concept?



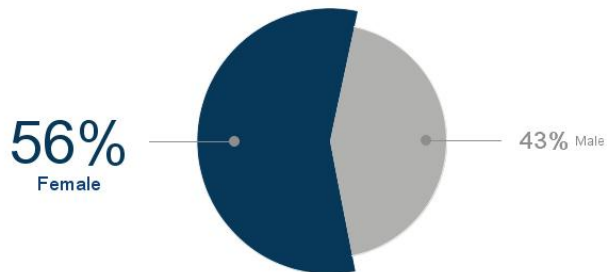
8. Do you already use any ad-based mobile App?



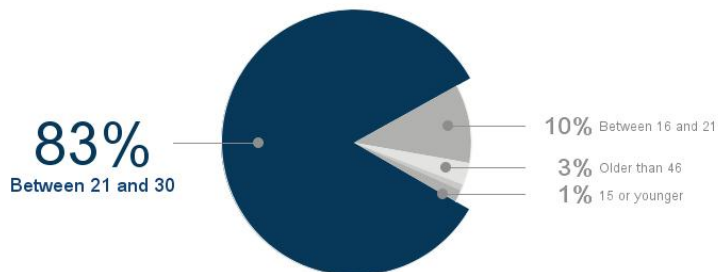
9. What is your main transportation mean?



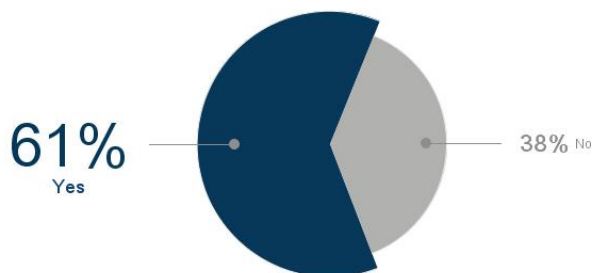
10. Gender:



11. Age:



12. Are you Portuguese?



c) Result Tables for Ranking Questions

3. What would be more interesting/cool in out-of-home ads? Drag and rank (1st to 6th) the following options according to your level of interest.

Average Rank		1	2	3	4	5	6					
1. Augmented reality	2.96											
2. Creativity	1.85											
3. Ads that interacted with me	3.24											
4. Ads related to my interests	2.62											
5. Collectible mobile coupons via QR codes	4.86											
6. Collectible mobile coupons via Near Field Communication	5.47											
Data Table												
1. Augmented reality	17	18.28%	17	18.28%	22	23.66%	30	32.26%	4	4.30%	3	3.23%
2. Creativity	43	46.24%	32	34.41%	9	9.68%	8	8.60%	0	0.00%	1	1.08%
3. Ads that interacted with me	7	7.53%	18	19.35%	33	35.48%	21	22.58%	9	9.68%	5	5.38%
4. Ads related to my interests	24	25.81%	21	22.58%	20	21.51%	23	24.73%	4	4.30%	1	1.08%
5. Collectible mobile coupons via QR codes	1	1.08%	2	2.15%	5	5.38%	7	7.53%	64	68.82%	14	15.05%
6. Collectible mobile coupons via Near Field Communication	1	1.08%	3	3.23%	4	4.30%	4	4.30%	12	12.90%	69	74.19%

7. Please drag and rank(1st to 6th) the following situations when you use your phone the most

Average Rank		1	2	3	4	5	6					
1. Home	2.42											
2. School/University/Work	2.42											
3. Wherever I eat	4.67											
4. Public transportation	2.84											
5. Outdoors when walking	3.97											
6. Outdoors when relaxing/socializing	4.69											
Data Table												
1. Home	34	37.36%	19	20.88%	16	17.58%	14	15.38%	4	4.40%	4	4.40%
2. School/University/Work	20	21.98%	37	40.66%	20	21.98%	7	7.69%	4	4.40%	3	3.30%
3. Wherever I eat	1	1.10%	2	2.20%	17	18.68%	13	14.29%	31	34.07%	27	29.67%
4. Public transportation	24	26.37%	20	21.98%	18	19.78%	15	16.48%	4	4.40%	10	10.99%
5. Outdoors when walking	9	9.89%	9	9.89%	10	10.99%	23	25.27%	28	30.77%	12	13.19%
6. Outdoors when relaxing/socializing	3	3.30%	4	4.40%	10	10.99%	19	20.88%	20	21.98%	35	38.46%

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