

STATE OF OUT OF HOME

Asserting Visibility in a
Time of Digital Obstructions



**As of February 15, 2023.*



KUMUXTA, PILIPINAS?

Let's talk about now: the way we move,
the way we consume, the way we live.

PARADIGM SHIFT IN PHILIPPINE MOBILITY

The Philippines now finds itself at the cusp of a transformative era in mobility. As the world slowly emerges from past challenges, the country embraces a new perspective on how people move, commute, and connect, all because of the adjustments due to the pandemic.

THEN

According to the TomTom Traffic Index 2019, Metro Manila is only second to Bengaluru, India in the world's worst traffic congestion.

“Parang nakikipagdigmaan tuwing bibiyahe pero walang magagawa, normal na lang sa akin ito.”

-Commuter

NOW

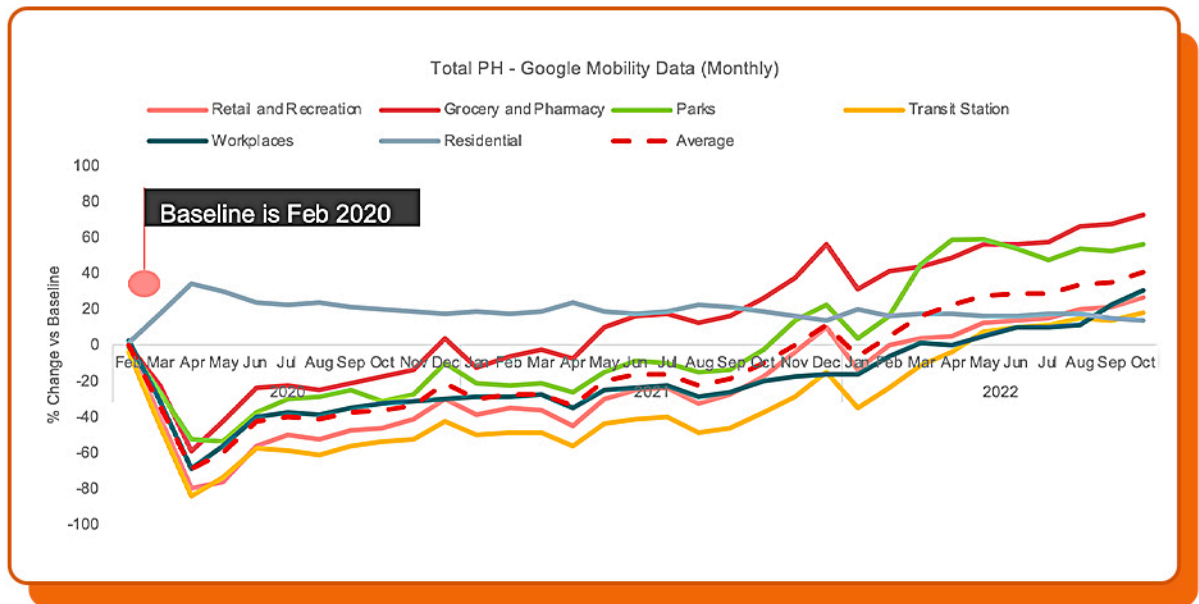
Fast forward two years later, a typical week no longer requires a daily dreaded commute for the majority of Filipinos. This means less time spent on the road and more productive hours for those who adapted the hybrid setup.

“It seems a blended way of living is likely to remain. Signs point to a semi-remote future of work.”

-Google Marketing Strategies

FROM LOCKDOWN TO WANDERLUST

In the P3Y, the desire for exploration and adventure pent up in the hearts of Filipinos led to the resurrection of mobility and the revitalization of tourism. Enter 'revenge travel', and it's majorly contributing to the recovery of airline companies.



SOURCE: Google Mobility Report as of October 15, 2022

A significant increase in traveling within the main expressways in Metro Manila indicates that individuals who travel to and from the areas outside the metro are higher versus pre-pandemic.

AirAsia Philippines: Booking for January 2023 reached a 70 percent increase compared to 2022. Cebu Pacific Airlines (CEB) restored 92 percent of its pre-pandemic system-wide. Philippine Airlines: domestic flights hit 100 percent of pre-pandemic levels and 60 percent for international flight.

FACTORS THAT HELPED IMPROVE MOBILITY



VACCINES

As of Jan 18, 2023, 73.81M out of 116M Filipinos are vaccinated (64%)



PROTOCOLS

In October 2022, Malacanang released an executive order allowing voluntary wearing of face masks.

Allowed big events

- GAB (Games and Amusement Board) gives go-signal for contact sports in Metro Manila
- PH Concert scene thrives again after years-long of restricted operation (In 2022, 73 concerts were held in PH)
- Cinemas Are Finally Open!



PASSAGE IMPROVEMENT

San Miguel Corporation (SMC) formally inaugurated the P14- billion South Luzon Expressway (SLEX) Elevated Extension project,

Santa Monica - Lawton Bridge or the Kalayaan Bridge also called BGC-Ortigas Link - connecting 2 business central districts. The bridge is expected to have 20% traffic volume from nearby EDSA and C5 road.



TRANSPORTATION ENHANCEMENT

Quezon City's free bus ride program serves over 5.3 million passengers. Currently plies eight routes traversing through major thoroughfares and locations in the city.

Railways (MRT-3 and LRT-2) are already allowed at full capacity. Providing free rides to passengers from Mar-Jun of 2022 after rehabilitation, MRT-3 passenger count doubled vs 2021 and tripled for LRT-2.

Air-conditioned buses (P2P- inspired) transpo in provinces



FACE-TO-FACE

Offices and the education sector modified guidelines as government allowed 100% attendance capacity in work force and public schools with requirements on vaccination.



TECHNOLOGY RESHAPING OPPORTUNITIES

The relentless march of digitalization challenged traditional platforms, including Out-of-Home, as smartphones highly influenced Filipinos' attention and outdoor behavior.

Before the pandemic, leaving home was part of the daily routine



With lockdown and protocols, people realized the convenience of e-transactions



Currently, there is a hybrid in behavior adapting to the convenience of the digital lifestyle



THE RISE OF E-WALLETS REDUCED MOBILITY FOR BANK TRANSACTIONS

E-wallets have emerged as a true game changer in managing our finances as we navigate a world of minimal physical contact. While these have brought convenience and efficiency, their widespread adoption has inadvertently presented a new challenge: reduced mobility for traditional bank transactions.

Gone are the days when physically visiting a bank or standing in long queues was necessary to pay, split bills, or transfer funds. Now, just a few taps on your smartphone can do it all. E-wallets truly empowered consumers and even facilitated the growth of online marketplaces. That's why these days, cashless is king.

- 1 in 5 financial transactions (including bills payments and money transfers) had been made through e-wallets.
- In 2020, mobile wallet usage was 3 times higher than 2017. By 2025, this number should rise to 75.5 million, according to Statista.
- Fintech-companies offering mobile wallets are already ranked 3rd in the PH in 2022. GCash has 76M users in the PH with at least 30M transactions daily

SOURCE:

(1) <https://mb.com.ph/2022/07/29/mobility-and-technology-reshape-opportunities-navigating-the-philippine-media-and-advertising-trends-in-the-new-normal/> (2) <https://businessmirror.com.ph/2022/04/14/cashless-economy-drives-high-e-wallet-penetration/> (3) <https://manilastandard.net/business/biz-plus/314250065/most-filipinos-prefer-remote-or-hybrid-work-setup.html> (4) <https://www.bria.com.ph/articles/embracing-hybrid-and-work-from-home-setup-in-the-philippines/> (5) <https://mb.com.ph/2022/11/02/ready-or-not-face-to-face-classes-start-for-public-schools/>

HYBRID WORK AND SCHOOL SETUPS REDUCED COMMUTERS

Hybrid work arrangements and blended learning eased the burden of Filipinos traversing the streets during rush hour, braving the city traffic and overcrowded transportation terminals. This shift in the dynamics of work and education in the name of safety presented a unique opportunity to reimagine the concepts of productivity, learning, and mobility.



Work

- Results of JobStreet’s Global Talent Survey show that 80% of Filipino prefer jobs that are either remote or hybrid.
- DOLE revised the new rules to encourage employers and employees to adopt hybrid work arrangements in the Philippines to support PH economic growth.

School

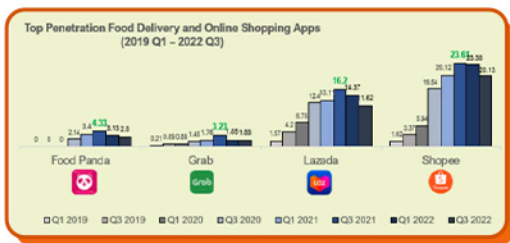
- VP already issued dept. order (No. 34) for SY 2022-2023, amendatory dept order requires “all public school across the country to implement 5 days of in-person classes.”
- Other private schools adapted to hybrid learning with students only required to attend half day and learn from home for the remaining school hours.

SOURCE:

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DELIVERY SERVICES AND ONLINE SHOPPING

In the bustling streets and vibrant marketplaces of the Philippines, a digital revolution is reshaping how people shop and obtain essential goods. But navigating crowded malls or waiting in long queues are not the norm anymore – now, a few taps on a smartphone screen bring the world of retail to their doorstep. From groceries and household essentials to fashion, electronics, and even restaurant meals, the convenience of online shopping and reliable delivery services have become the preferred method for many Filipinos to fulfill their shopping needs.



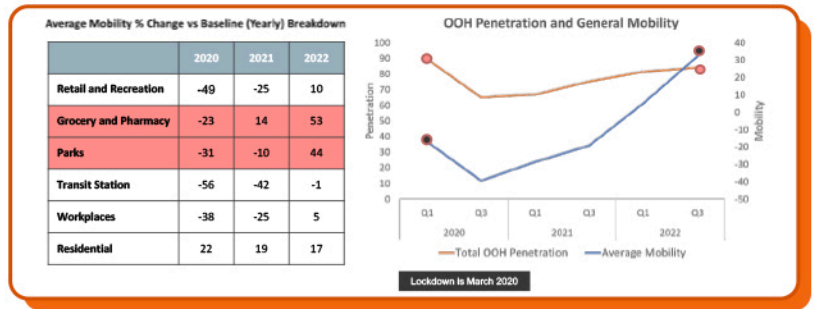
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OUT-OF-HOME ADVERTISING: WHERE IS IT BOUND?

The industry has long relied on billboards, transit ads, and other traditional formats to engage audiences, but the pandemic has introduced obstructions that require a fresh perspective. As safety measures continue to impact public spaces, the effectiveness and visibility of out-of-home advertising have faced obstacles. From recovering foot traffic and changes in commuting patterns to shifting consumer behavior and digital distractions, advertisers must adapt to a rapidly evolving environment.

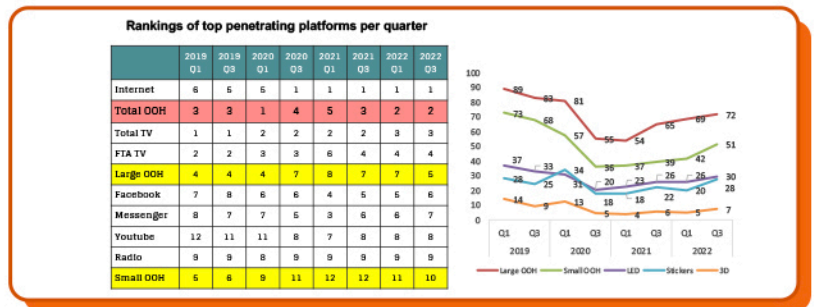
Mobility and OOH Exposure correlates with each other and are both recovering. However, the dramatic uptrend for Mobility vs Q1 2020 is not matched by OOH penetration.



- All places except Residential areas have increased inflow of people, but essential and open-air places like Groceries, Pharmacies, and Parks had the most.

Source: Google Mobility Report as of October 15, 2022; Nielsen Clear Decisions (2020 Q1 – 2022 Q3)

Total OOH outlook looks promising since it is now the 2nd most consumed platform as of 2022 Q3 coming from top 5 in 2021 Q1 and this is still driven by Large OOH format.



Source: Nielsen Clear Decisions (2019 Q1 – 2022 Q3)

The top places and product category ads seen outside is the same as pre-pandemic but with lower penetration. On the onset of the pandemic, the Fashion category was not in the top 5 but slowly crept back as the pandemic wanes.

Top Places Where Outdoor Ads Seen (2022 Q3)



Sidewalks
Penetration = 74.26%
Growth* = -2.44%



Malls
Penetration = 34.93%
Growth* = -3.52%



Supermarkets
Penetration = 34.24%
Growth* = -3.27%



Sari-sari Stores
Penetration = 31.56%
Growth* = -4.41%



Gas Stations
Penetration = 25.17%
Growth* = -2.78%

Top Product Category Ads Seen Outdoor In The Past 3 Months (2022 Q3)



Food Products
Penetration = 70.95%
Growth* = -1.82%



Beverages
Penetration = 35.15%
Growth* = -6.06%



Personal Care Products
Penetration = 32.37%
Growth* = -2.68%



Appliances and Gadgets
Penetration = 29.99%
Growth* = -3.54%

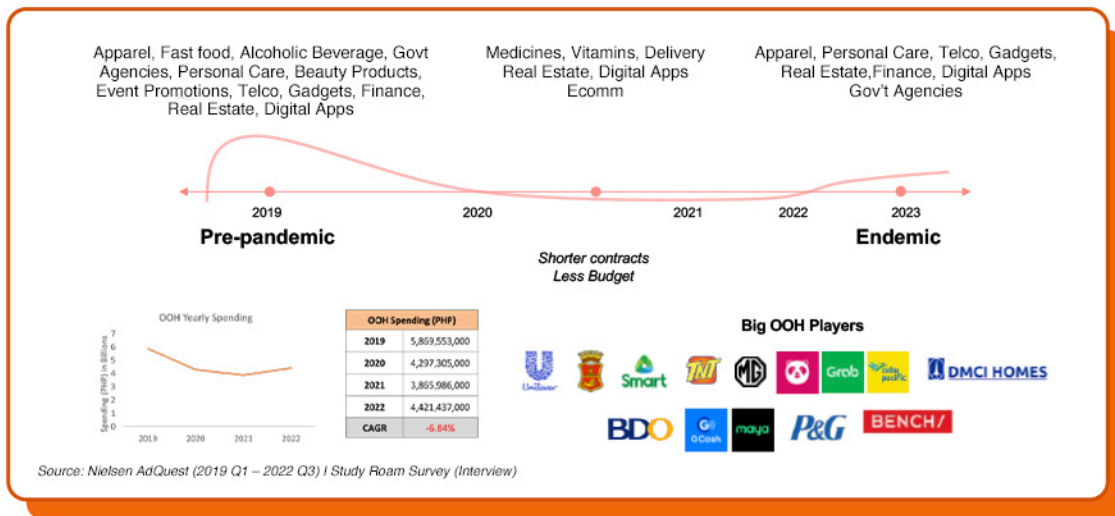


Fashion
Penetration = 29.95%
Growth* = -3.86%

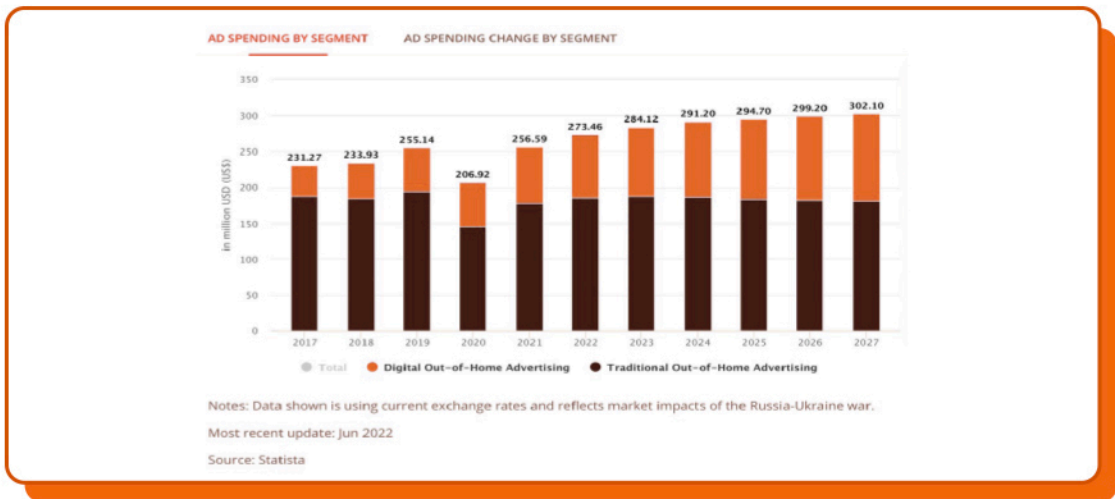
* CAGR since 2019 Q1

Source: Nielsen Clear Decisions (2019 Q1 – 2022 Q3)

Advertisers are now increasing their budget allocation for OOH placements as mobility in the country is also increasing. However, 2022 spending is still not at par with pre-pandemic levels. OOH Investment improved towards 2nd half of 2022, projected to increase over the endemic period.

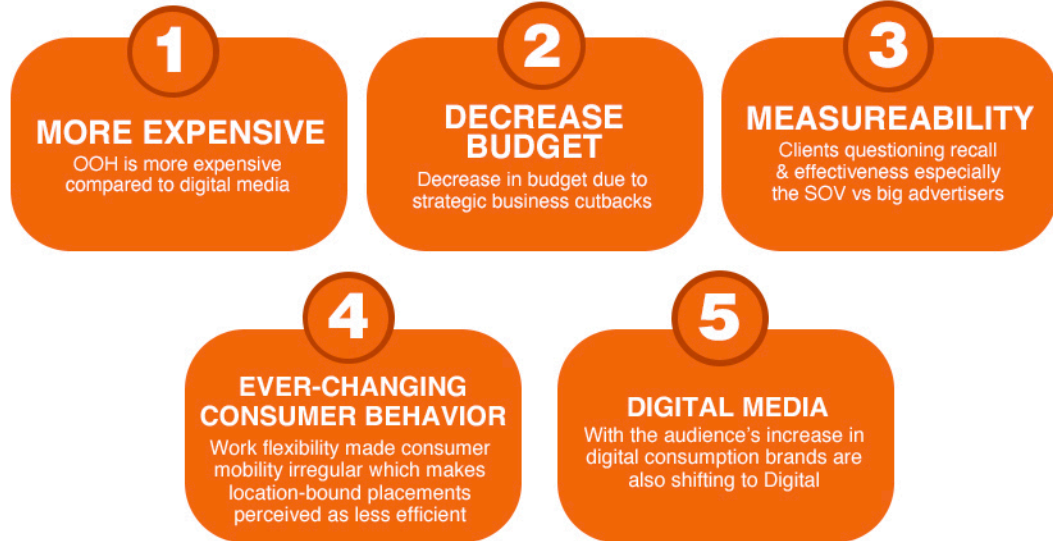


Nonetheless, PH AdSpend in OOH is expected to increase considering inflation based on the current spending trend in the industry.



THE OBSTRUCTION TO OOH

Challenges in OOH



Scenario

BUDGET: 1M

LOCATION: Tomas Morato and Timog

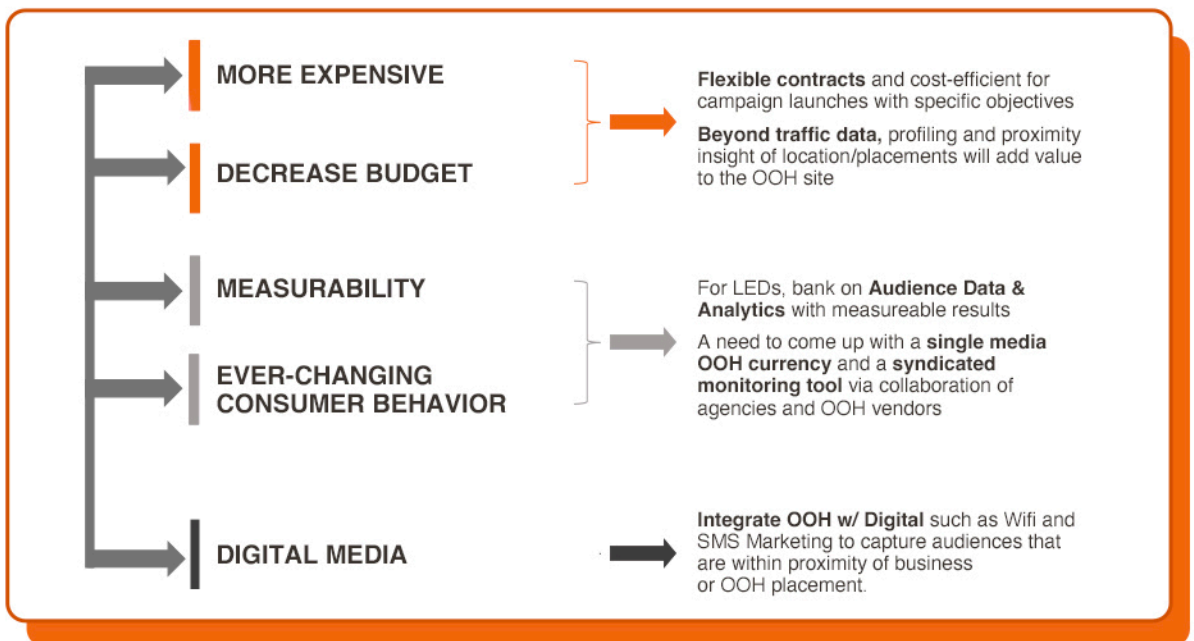
OOH: Banners

TRAFFIC: < 500k ave daily

DIGITAL (FACEBOOK): Geotargeted

REACH: 900K-1.1M ave daily

Turning Obstructions into Opportunities



POSITIONED FOR THE FUTURE

ALL THE SIGNS POINT TO GROWTH.

A new era of mobility is dawning, opening up exciting opportunities for advertisers. This resurgence of activity levels outdoors presents a prime opportunity for them to make way for more dynamic, interactive, and relevant content. Because the optimization of digital screens has also gotten better -- smart billboards, augmented reality, even QR codes, advertisers can now adapt their messages efficiently while creating memorable brand experiences.

Traditional OOH & Digital OOH

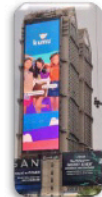
TRADITIONAL

- Static billboard - must be printed and then installed, which often comes with a production/service fee.
- Advertisement is the only one on it for a long period of time.
- Gives the audience a chance to see the billboard clearly, unlike digital where the screen changes every few seconds.



DIGITAL

- Computer-controlled electronic displays (videos, moving images or live streams).
- Can update and change your advertisement.
- Easier to run new campaigns, keep up with the holidays or special events, and have dynamic designs.



Driving more impact in brand message by using OOH as the part of the communication



Pervasive: OOH placement & service

Pau-Pau Everywhere

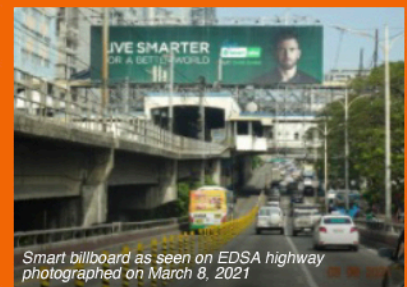
Showcasing the mix of outdoor platforms that deliver maximum visibility for foodpanda's ultra-cute brand ambassador - Pau-Pau!

Campaign won gold for Excellence in Media Strategy as they communicated their service availability and penetration by being present literally everywhere with OOH

Iconicity of OOH

Rather than banking on digital presence during the pandemic, Smart still invested heavily in outdoor media as well.

The launch of Chris Evans as Smart's newest endorser has leveled the brand up in the playing field even more. Smart's outdoor media campaigns have strengthened their brand recall, making them a top-of-mind telecommunication brand among Filipinos.



Smart billboard as seen on EDSA highway photographed on March 8, 2021



SMB - Red Horse Waiting Shed and GEB Totem Poles

Communicate Leadership

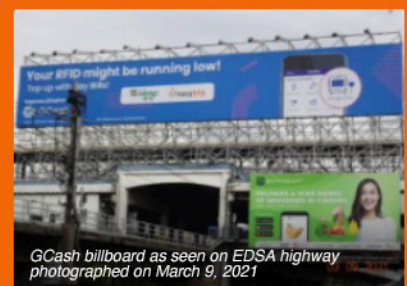
As iconic and leading brands in their baluarte, Red Horse Beer and Totem Poles leveled-up their OOH presence in priority areas to communicate their dominance in their strongholds regions.

Located near point of sale, their strategy is not only eye-catching but also instantly becomes top of mind and became landmarks.

Credibility Driver & Reminder Platform

MetroMart, a newly launched e-com product, used OOH to build credibility and their presence even more recognized.

GCash, on the other hand, strategically communicates RFID topup service in a high traffic location to remind car owners of the convenience of their service.



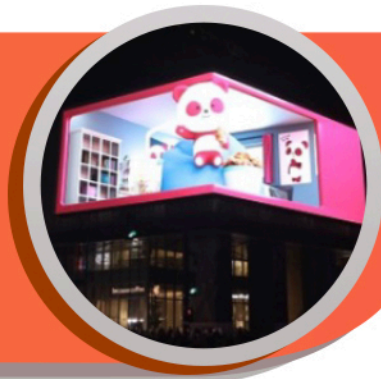
GCash billboard as seen on EDSA highway photographed on March 9, 2021

Eye-catching executions to engage the mobile consumers



The 3D Whale Shark show at SM Megamall EDSA LED billboards runs until the end of July daily from 7:00 PM to 10:00 PM with 30 minutes intervals.

Philippines' version of iconic screens in New York City's Times Square and Tokyo's Shibuya Crossing. The Country's first "naked-eye" 3D-LED screen unveiled in Bonifacio Global City (BGC) which covers 400 square meters of multimedia display. Disney, Netflix, Globe, Food Panda, and Maya were among the first set of advertisers on BGC's Digital Billboard.



DOOH Advertising is now being upgraded thanks to the latest technology in 3D and VFX. The process by which the content is produced is technically known as anamorphosis. Something that can only be made through use of animation and visual effects to create a distortion of reality for the human eye. DOOH is becoming one of the most important formats for brands to advertise on again following an unusual time of strict lockdown because of COVID-19.

Engaging the young and hip audience at a relevant occasion using an interactive installation.



Chill Vendo execution in BGC for Valentine's