Practical Measures to Increase Transit Advertising Revenues

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TCRP REPORT 133

Practical Measures to Increase Transit Advertising Revenues

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TRANSPORTATION RESEARCH BOARD

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TRANSIT COOPERATIVE RESEARCH PROGRAM

The nation's growth and the need to meet mobility, environmental, and energy objectives place demands on public transit systems. Current systems, some of which are old and in need of upgrading, must expand service area, increase service frequency, and improve efficiency to serve these demands. Research is necessary to solve operating problems, to adapt appropriate new technologies from other industries, and to introduce innovations into the transit industry. The Transit Cooperative Research Program (TCRP) serves as one of the principal means by which the transit industry can develop innovative near-term solutions to meet demands placed on it.

The need for TCRP was originally identified in *TRB Special Report 213—Research for Public Transit: New Directions,* published in 1987 and based on a study sponsored by the Urban Mass Transportation Administration—now the Federal Transit Administration (FTA). A report by the American Public Transportation Association (APTA), Transportation 2000, also recognized the need for local, problem-solving research. TCRP, modeled after the longstanding and successful National Cooperative Highway Research Program, undertakes research and other technical activities in response to the needs of transit service providers. The scope of TCRP includes a variety of transit research fields including planning, service configuration, equipment, facilities, operations, human resources, maintenance, policy, and administrative practices.

TCRP was established under FTA sponsorship in July 1992. Proposed by the U.S. Department of Transportation, TCRP was authorized as part of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). On May 13, 1992, a memorandum agreement outlining TCRP operating procedures was executed by the three cooperating organizations: FTA, the National Academies, acting through the Transportation Research Board (TRB); and the Transit Development Corporation, Inc. (TDC), a nonprofit educational and research organization established by APTA. TDC is responsible for forming the independent governing board, designated as the TCRP Oversight and Project Selection (TOPS) Committee.

Research problem statements for TCRP are solicited periodically but may be submitted to TRB by anyone at any time. It is the responsibility of the TOPS Committee to formulate the research program by identifying the highest priority projects. As part of the evaluation, the TOPS Committee defines funding levels and expected products.

Once selected, each project is assigned to an expert panel, appointed by the Transportation Research Board. The panels prepare project statements (requests for proposals), select contractors, and provide technical guidance and counsel throughout the life of the project. The process for developing research problem statements and selecting research agencies has been used by TRB in managing cooperative research programs since 1962. As in other TRB activities, TCRP project panels serve voluntarily without compensation.

Because research cannot have the desired impact if products fail to reach the intended audience, special emphasis is placed on disseminating TCRP results to the intended end users of the research: transit agencies, service providers, and suppliers. TRB provides a series of research reports, syntheses of transit practice, and other supporting material developed by TCRP research. APTA will arrange for workshops, training aids, field visits, and other activities to ensure that results are implemented by urban and rural transit industry practitioners.

The TCRP provides a forum where transit agencies can cooperatively address common operational problems. The TCRP results support and complement other ongoing transit research and training programs.

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COOPERATIVE RESEARCH PROGRAMS

FOREWORD

By Gwen Chisholm Smith
Staff Officer
Transportation Research Board

TCRP Report 133: Practical Measures to Increase Transit Advertising Revenues provides strategies to significantly increase transit's share of total advertising expenditures. The report describes advertising decision makers' perceptions about transit advertising products (current and future products) and includes a strategic responsive communications plan and recommendations to improve those perceptions and increase transit revenue. This report will be helpful to transit agencies, transit marketers, transit advertising sales organizations, media planners, media buyers, and advertisers.

Recent trends in the advertising industry have weakened traditional advertising media. Television advertising, in particular, which has long dominated national advertising sales, faces media fragmentation due to a mushrooming spectrum of cable and satellite channels and commercial-skipping technologies such as TiVo. These trends tend to decrease the attractiveness of television as a medium for advertisers. In this context, transit advertising stands out as one of the last truly affordable mass media. Advertisements on transit cannot be turned off, deleted, fast forwarded, or easily ignored.

Sale of advertising in public transit facilities and vehicles is a nearly $1 billion industry generating approximately $500 million annually to transit agencies. Yet transit advertising revenue was 0.3% of total U.S. advertising expenditures in 2007. The other 99.7% of advertising revenues went to television, radio, billboards, the Internet, newspapers, magazines, and other media. Research was needed to understand the viewpoints of advertising decision makers and to identify ways to influence them to purchase more transit advertising.

Under TCRP Project B-33, "Practical Measures to Increase Transit Industry Advertising Revenues," Denneen & Company conducted a comprehensive review of literature and information on the best practices within transit and other media-trade organizations related to boosting shares of national ad spending. The information gathered included a 10-year trend line of transit advertising revenues, comparing it to all media.

The cornerstone of the research was a quantitative study of media planners on a national basis. The research sought to understand their familiarity with transit advertising, perceptions, and decision-making processes. The research team also conducted interviews with media planners, advertisers, and advertising sales contractors. Based on analysis of the information gathered, the team identified the best strategies for significantly increasing transit's share of total advertising expenditures. Included in these recommended strategies are a new positioning strategy upon which to base communications, strategies for addressing perceived deficiencies relative to other types of media, and a marketing strategy for broadening awareness of transit media and communicating its updated value proposition.

An eight-page Executive Summary of this report and a presentation explaining the findings, conclusions, and recommendations of TCRP Project B-33 are available on the TRB website (www.trb.org) by searching for "TCRP Report 133: Practical Measures to Increase Transit Advertising Revenues".

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SUMMARY

Practical Measures to Increase Transit Advertising Revenues

Overview

Transit advertising is currently less than 0.5% of U.S. advertising spending. As a small source of operating revenue for public transit agencies, transit advertising has not received much focused attention in the past. However, with the current shifting of media dollars out of traditional media, like television, and into the so-called "non-traditional media," like online and out-of-home media, transit agencies are now shrewdly asking whether their advertising assets could be making greater contributions to operating revenues.

Currently, however, transit advertising revenue growth is lacking upward momentum. After exceeding the $1 billion threshold in 2003 and 2004, thanks to the long tails of lucrative contracts signed during the Internet boom of the late 1990s, transit advertising revenue fell to roughly $800 million, and has remained there for three years running. During the same period of 2005 through 2007, all out-of-home advertising grew 8% on a compounded annual basis.

To what can this lack of performance be attributed? Is the image of transit advertising tarnished? Are the unique benefits of transit advertising unclear? Is the product offering not compelling? Are sales efforts falling short?

The purpose of this study was to (1) understand advertising decision makers' perceptions of transit advertising and (2) develop strategies for improving these perceptions and increasing transit advertising revenues. To this end, the research team conducted a quantitative study of media planners as well as interviews with advertisers, sales contractors, and marketing representatives of transit agencies. What follows is a top line summary of the findings, conclusions and recommendations.

Issues

Market conditions suggest that transit advertising is well positioned to grow. The outlook from organizations that track media trends is that the shifting of dollars out of traditional media and into non-traditional formats will continue, despite an overall decline in advertising spending due to the current recession. In particular, out-of-home media, as a category, will remain one of the fastest growing sectors of advertising spending. This forecast is compatible with the belief that the benefits offered by transit advertising can be made to align well with the needs of advertisers.

However, as a medium in competition with billboards, newspapers, place-based advertising, the Internet, and other new media still in development, transit advertising still has quite far

to go to be in full competitive form. The study concluded that the following issues are at the core of transit advertising's growth challenge:

1. Transit advertising's positioning—the benefits its target audience perceives it to offer—is neither highly motivating nor differentiated from billboards.
2. Transit advertising has serious image and product deficiencies.
3. The level of product innovation is insufficient to generate interest and enthusiasm among media planners and advertisers.
4. Aside from sales activities, there is no promotion of the product to its target audiences.
5. Transit agencies *not* in top 20 media markets face greater obstacles to growth than those in the top 20.
6. Transit advertising sales materials are not as effective as they could be at "making the case."
7. The overall level of satisfaction with transit media sales representatives is low.

Findings

So, while transit has the makings of a sought-after medium, in its current shape, it lacks credibility, relevance and distinctiveness in today's advertising market. These conclusions are synthesized from many individual findings from the research. A few of the most significant findings are these:

- Transit advertising's greatest perceived strength is in reaching captive audiences.
- With the exception of reaching captive audiences, billboards are perceived to fulfill every function that transit media offer, only better.
- Transit is seen as a supplemental, second tier medium.
- Transit media's strengths are not aligned with the features that are most important to media planners.
- Perceptions that transit media are effective, reliable and efficient are moderate to weak.
- Perceptions that transit media are expensive are prevalent.
- Perceptions that transit media are *not* clean are prevalent.
- Perceptions that transit media are innovative are *not* prevalent.
- Perceptions that transit is a downscale medium are *not* prevalent.
- Media planners' experience with transit media is largely positive.
- The media planners with the *most opportunity* to recommend non–top 20 market transit advertising have the *least favorable* view of transit media overall.
- Overall satisfaction with sales representatives is low.
- Overall satisfaction with sales representatives is lower for the representatives who sell transit plus other media than for representatives who sell transit only.
- More than half of media planners are not able to agree that advertisers' perceptions of transit media are positive.
- Preferences for new media point to digital.

The primary research conducted for this study included interviews with advertising sales contractors, interviews with advertisers, and a survey of transit agency marketing representatives. The core piece of research was a 153-respondent quantitative study among both generalist media planners and media planners that specialize in out-of-home media. Within each of these groups, there were media planners who served primarily national advertisers, and those who served primarily local or regional advertisers. Because media planners are essentially the "gatekeepers" for advertisers' media selections, as data in the survey confirm, media planners were prioritized over advertisers to be the subjects of the quantitative study.

A fundamental finding of the media planner research is the existence of significant differences among media planners. Out-of-home media planners have more positive perceptions of transit media than do media generalists. Among media generalists, those with national

clients have much more positive perceptions than those with local and regional clients. By most estimates, national advertisers are purchasing roughly 40% of transit media and local and regional advertisers are purchasing the other 60%. Therefore, all three types of media planners are important audiences for transit media, and the findings and recommendations of this study have relevance for large, medium and small transit agencies.

There are times when transit media are not considered. Perhaps the brand to be advertised has a narrow target audience that is more efficiently reached by other media. Perhaps the brand sell requires more copy space than transit ads afford. Perhaps the marketing objective is to advertise exclusively at the point of purchase. It is a positive finding of this study that media planners do not view transit media as "only appropriate for a very small group of categories." Still, however, there are cases in which transit is not an appropriate choice for the brand, the message or the objective.

The focus here is what might be obstacles to using transit media in situations *where they could be appropriate.* In other words, the study searched for the obstacles that those who own the media, those who sell the media and those who support the transit industry might be able to influence.

Conclusions

Transit is well positioned to grow, yet lacks credibility, relevance and distinctiveness in today's advertising market place. Here are our specific findings and conclusions.

Conclusion 1: Transit Advertising's Positioning Is Neither Highly Motivating nor Differentiated from Billboards

The media planner study showed that what is perceived to be *unique* about transit media is its ability to reach a captive audience. This second tier positioning was echoed by the finding that transit was viewed by the majority of media planners as a supplemental medium.

In addition, transit is viewed as being very similar to billboards in terms of usefulness in a media plan. Both platforms extend reach and frequency, achieve market saturation, and break through clutter. However, billboard advertising consistently scores higher than transit in its ability to achieve these media and marketing objectives.

Conclusion 2: Transit Advertising Has Serious Image and Product Deficiencies

The majority of media planners in the study said they are very familiar with transit advertising and have had good experiences with transit advertising. However, transit advertising has a credibility problem. Forty-two percent said that "effective"—the most fundamental requirement for any medium—is not highly descriptive of transit advertising. Sixty-two percent of respondents said "efficient"—the second most fundamental requirement for a medium— is also not highly descriptive. These are high percentages of media planners who are clearly not convinced that transit advertising works or is worth the money.

Conclusion 3: The Level of Product Innovation Is Insufficient to Generate Interest and Enthusiasm among Media Planners and Advertisers

The media planner survey showed that transit media are not widely viewed as innovative, hip or sexy. Bus wraps and station dominations* are the right idea—high impact, attention grabbing and show stopping. However, these products do not define the entire medium.

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* Unfamiliar advertising terms may be found in the Glossary.

The new product ideas that rose to the top of the media planner study involved digital technology: digital displays on platforms and in stations, as well on buses and trains. In interviews with advertising sales contractors, there was some mention of exploratory work in the digital realm, especially among the larger contractors.

Conclusion 4: Aside from Sales Activities, There Is No Promotion of the Product to its Target Audiences

Target audiences need to hear marketing messages—the high level benefits associated with purchasing or consuming the brand, as expressed in the positioning statement—as well as sales messages—the detailed features and specifications of the product. To the knowledge of the research team, there is little communication of transit's benefits, aside from what individual transit sales representatives convey. Certainly, there is no *single* message being consistently conveyed. Nor did the interviews surface any other promotional activities intended to generate awareness of or interest in transit media among media planners and advertisers.

Conclusion 5: Transit Agencies Not in Top 20 Media Markets Face Greater Obstacles to Growth than Those in the Top 20

General estimates hold that 40% of transit media is purchased by national advertisers and 60% is purchased by local/regional advertisers. The opportunity to sell more transit advertising to national advertisers is great: national advertisers are putting more and more marketing dollars into non-traditional media. For non–top 20 markets, however, the upside potential is less clear. These cities are typically not highly in demand by national advertisers. The generalist media planners who work for local and regional advertisers have the least favorable views of transit media. And the advertising assets, themselves, most likely cover the spectrum from very attractive (e.g., a highly populous second-tier city with a large bus system) to not-very attractive (e.g., a very limited bus system serving a widespread rural population).

Conclusion 6: Transit Advertising Sales Materials Are Not as Effective as They Could Be at "Making the Case"

An important finding regarding the sales process is that media planners' needs for demographic data on target audiences and other selling materials are not being met. Lack of demographic data ties to the lack of an audience measurement system, and is a serious deficiency for transit advertising, affecting its credibility and therefore its usage. Lack of other selling materials is an issue for individual transit media sales representatives, who would benefit from support from an industry-wide marketing resource.

Conclusion 7: The Overall Level of Satisfaction with Transit Media Sales Representatives Is Low

Media planners find transit sales representatives, on the whole, to be knowledgeable, responsive and reliable. Media planners give transit sales representatives credit for taking time to understand the business issues that the media planners are trying to address, rather than going straight to space availability and pricing. However, when asked about their overall satisfaction with transit sales representatives, media planners' scores are low. Also, the 52% of respondents who have sales representatives that sell transit along with other media are significantly less satisfied than the 48% of media planners with transit-only sales representatives.

Recommendations

Recommendation 1: Reposition Transit Advertising to Differentiate it from Billboards, Elevate its Importance and Update its Image

The upside growth opportunity for transit is greatest if the most significant perception issues are addressed: (1) transit media are viewed as a substitute for billboards, in the sense that they deliver the same media objectives (build awareness, extend reach and frequency); (2) transit media are viewed as supplemental to a media plan, i.e., a "nice to have" if there's budget available, instead of as a core part of a media plan; and (3) transit media are not perceived to be innovative, exciting or contemporary.

The research team recommends that transit evolve its "captive audience" positioning to become the medium that surrounds consumers, touching them multiple times during their daily travels. Through repeated eye-level encounters, transit media offer advertisers the chance to let their consumers experience their advertising/offering several times on a daily basis. Transit media will come to be seen as a critical part of any audience exposure experience. A positioning along these lines differentiates transit from billboards, elevates transit media's importance, and updates transit media to today.

Recommendation 2: Promote Transit Media among Both Media Planners and Advertisers

Transit media would benefit significantly from an advertising campaign communicating the new positioning of transit to media planners and advertisers. With both groups, the goal would be to convince them of the benefit of using transit advertising and to overcome some of the negative beliefs and imagery they hold about transit media. An advertising program is a needed complement to the one-on-one efforts of the sales force. Done properly, advertising heightens the media planner's or the advertiser's interest in the product and generates receptivity to receiving a sales call.

Recommendation 3: Create a Transit Media Trade Group

The creation of a transit advertising industry group that exists to promote the medium— just like the Interactive Advertising Bureau, the Outdoor Advertising Association of America and the Cable Television Advertising Bureau (all outlined in Chapter 1)—is recommended. Implementation of the core recommendations of this growth plan is wholly dependent on the formation of this group. The research team knows of no organization currently in a position to drive the efforts required to produce growth of the magnitude desired. The American Public Transportation Association has many more issues on its large plate than growing advertising revenue. Establishing an entity focused on promoting transit advertising gives transit the attention it needs and puts it on an even playing field with its many media competitors.

The media trade organization also might conduct outreach to transit general managers, board members and other transit decision makers to help emphasize and explain the changes that are required to drive growth in advertising sales.

Recommendation 4: Develop a Credible Audience Measurement System

As noted among the findings and conclusions, transit media's image suffers from skepticism about its effectiveness, its reliability, its efficiency and its value for the money. All of these concerns will be addressed if/once transit media becomes measurable. For this reason, the research team posits that if instituting an audience measurement system were the *only*

recommendation the transit media industry achieved, there would still be a great impact on transit advertising sales.

The billboard advertising industry is scheduled to launch its audience measurement system in fall 2008, which is expected to more than double billboard sales, adding $7 billion of revenue. The bad news for transit media is that the advance of the medium most closely associated with transit will emphasize transit media's deficiency.

Recommendation 5: Introduce Digital and Interactive (Experiential) Technologies to Transit Advertising

A positioning is only credible and sustainable if it is true. Transit advertising, as known today, certainly is "up close and personal" with consumers by virtue of being at eye level and often close enough to touch. However, two-sheets and bus kings are no longer enough in a media environment that is already embracing digital and interactive formats. Transit advertising needs to become digital and interactive, itself, as soon as possible. To be too far behind this important trend will only reinforce some of the unhelpful imagery already associated with transit media.

Success in introducing new products and technologies will require stronger partnerships between transit agencies and sales contractors than, by many accounts, exist today.

Recommendation 6: Address Transit Media's Product and Image Deficiencies

There are additional product and image issues that require individual attention. Transit media's lack of cleanliness is one. This issue could very well affect many other media planner perception and attitudes, including being somewhat difficult to sell to advertisers. Another issue is the perception of high production costs. The third issue is media planners' perception that *advertisers* have negative perceptions of transit. This perception could explain why two-thirds of media planners are either on the fence or in agreement with the statement "It's difficult to sell transit media."

Recommendation 7: Develop Specific Strategies to Promote Ad Sales of Transit Agencies Outside of the Top 20 Markets

The first strategy for non–top 20 markets is to tailor communications to the correct target audience. Another strategy is to bundle non–top 20 markets into unique, high-value offerings. For example, all of the markets that serve colleges could be bundled and offered as a package. Another recommendation is to create a centralized, searchable electronic data base including profiles of all public transit agencies' advertising inventory.

Recommendation 8: Arm Sales Force with Information, Research, and Case Studies (and Ultimately, Measurement)

The transit media sales force (comprising all advertising sales contractor representatives as well as transit agencies' in-house sales teams) needs more effective sales materials as soon as possible. In the absence of an audience measurement system, transit could conduct a multi-site effectiveness study quantifying the impact of transit advertising campaigns. The results of this study could be developed into a brochure articulating the new positioning of transit advertising and using the creative approach developed for the national (or top city) advertising campaign. Along with this brochure, case studies showing transit advertising at its most fresh, most exciting, and most high impact should be told. Transit also needs to take the first step to developing credible demographic information.

Recommendation 9: Address Media Planners' Dissatisfaction with Sales Representatives

A striking finding of this study was the significant difference in media planner satisfaction with multi-media sales representatives versus transit-only sales representatives. The study offers a clue: multi-media representatives do not give as much sales time to transit as they do to other media. Sources have reported cases in which multi-media representatives are offered a greater commission for selling other media than for selling transit. The difference between the sales contractor's margins on transit sales (at best 15% to 20%) versus on sales of media they own (40%) lend credence to this report. A sub-recommendation, therefore, is to call on sales contractors to remove any financial disincentives to selling transit media.

Recommended Next Steps

The most critical activities that the industry must pursue in the next six to nine months are listed below:

1. Conduct qualitative research with media planners to explore several issues in greater detail:
   - Confirm the proposed positioning;
   - Inquire about the media planning tools, resources and information about each city's transit media opportunities (for the searchable data base) they would find most useful;
   - Explore dissatisfaction with sales representatives;
   - Explore perceptions of high production costs; and
   - Explore media planners' perceptions of negative advertiser perceptions of transit media.
2. Establish the transit advertising trade association.
3. Develop and launch national advertising promoting the benefits of transit media (as expressed in the new positioning).
4. Develop a sales brochure that expresses transit advertising's new positioning and showcases transit advertising's best usage.
5. Explore opportunities for transit's participation in out-of-home industry events conducted for media planners and advertisers.
6. Commission multi-market research measuring the effectiveness of transit advertising.
7. Develop the national searchable data base of transit agencies' advertising opportunities.
8. Develop the transit advertising website, populated with resources for media planners as well as for transit agencies and sales contractors.
9. Establish an industry-level project team for development of an audience measurement system.
10. Establish an industry-level work group to develop strategies for aligning transit agencies' and sales contractors' incentives to pursue new product and technology development.
11. Encourage transit agencies to generate plans with their sales contractors to better maintain the cleanliness of their clients' ads.
12. At the transit agency level, gain the explicit commitment of transit general managers, board members and other decision makers to the efforts required to drive significant increases in advertising sales.

A brief summary of each stakeholder's responsibilities in implementing the recommendations is as follows:

- **APTA**—The research team recommends APTA either form or endorse formation of an independent transit advertising trade association (Recommendation 3).
- **Proposed Independent Transit Advertising Trade Association**
  - Develop the national transit media advertising campaign (Recommendation 2).
  - Provide guidance (e.g., selling messages about the benefits of transit advertising) for the development of sales tools and materials to help sales representatives be more responsive to media planners and advertisers (Recommendation 8).

- Commission market research documenting the effectiveness of transit advertising (Recommendation 8).
- Lead the effort to establish a more effective way to portray demographic information depicting transit advertising's audiences (Recommendation 8).
- Organize conferences that showcase transit media to media planners and advertisers, including competitions that recognize best-in-class transit advertising (Recommendation 2).
- Lead the effort to develop an audience measurement system (Recommendation 4).
- Develop tools and information for media planners to make it easier for them to use transit media (Recommendation 2).
- Advocate for legal and regulatory changes necessary to permit new product development (Recommendation 5).
- Develop "package" offerings comprising the advertising space of multiple transit systems (Recommendation 7).
- Charter a work group to develop strategies to expedite the introduction of new technologies (Recommendation 5).

- **Transit Agencies**
  - The leadership of transit agencies must decide that they are committed to supporting the internal effort required to drive advertising sales growth. This commitment requires the following:
    - Management's willingness to make themselves available for decision making on such topics as introducing new advertising platforms (e.g., digital) and pursuing lucrative, but possibly new, opportunities with important advertisers
    - Appointment of an entrepreneurial advertising director within the transit agency whose charge is to drive sales as high as possible, within reasonable limits
    - Institutional tolerance for the degrees of risk that typically accompany new business development efforts.
  - Transit agencies need to urgently address with their sales contractors all issues pertaining to the performance of the sales force, including sales incentive programs.
  - Transit agencies need to do a better job holding their sales contractors accountable in general (e.g., for timely completion of new product initiatives).
  - Transit agencies need to address how to work more effectively with their advertising sales contractors in the introduction of new technologies.

- **Advertising Sales Contractors**
  - Advertising sales contractors need to reenergize their selling efforts with improved sales tools and materials that better meet the needs of media planners:
    - A brochure with an updated message about the benefits of transit advertising
    - Studies proving the effectiveness of transit advertising
    - Better, more detailed demographic information on transit advertising audiences
    - Examples of particularly effective transit advertising campaigns.
  - Advertising sales contractors must also now take advantage of the data in this study that profile types of media planners to tailor their sales pitches by type of media planner.
  - Advertising sales contractors, as well as transit agencies, must become more aggressive and perhaps more accommodating about the development and introduction of new technologies.
  - Advertising sales contractors need to enhance efforts to keep their clients' advertising clean, i.e., as free as possible from vandalism, as well as the negative effects of exposure to the elements.
  - Finally, sales contractors must discontinue any practices that disadvantage the promotion of transit media relative to other media the contractor sells.

CHAPTER 1

Background

Problem Statement

Transit advertising is a small but important contributor to the operating budgets of public transit agencies across the United States. Thanks in part to advertising revenue, which typically represents less than 5% of a transit agency's operating funds (*1*), public transit agencies are able to keep fares within reach of the populations they serve, thus meeting the most fundamental aspect of their missions.

The best available estimate is that transit media generated sales of $801 million in 2007 (*2*). It is fair to say that roughly 50% to 60% of the sales revenue made its way into the hands of public transit agencies. The rest was kept by the advertising sales contractors that actually generated the sales, in the majority of cases. Transit media sales have been fairly stagnant since they dropped over 30% from their height in 2003 (see Figure 1).

Substantial growth of transit advertising appears feasible in the context of the U.S. advertising industry overall. While growth in the industry is slow, forecasted at only 2% for 2008 (*3*), the size of the industry is enormous. Although there is no definitive source, a solid estimate for 2007 expenditures on media (not including advertising production) in the United States is $230 billion (*4*). With such a large "pie," it indeed seems reasonable for transit agencies to obtain a larger piece.

Adding to this optimistic view is the growth of out-of-home advertising. Advertisers are looking for alternatives to traditional media—television, radio, print—because the impact of these media today is widely regarded as diminished. Myriad technology-driven cultural trends are pointed to as culprits:

- More and more, people are getting their information and entertainment on their computers, not on televisions or radios or in magazines.
- With the advent of the many new channels that compose cable television, the mass audiences that the major national networks used to be able to deliver no longer exist.
- Advertisement-skipping technology (e.g., TiVo) makes it even less attractive to advertise on television.

On the whole, advertisers report less satisfaction with the performance of traditional media (*5*). Not only are traditional media becoming less effective, but also the popularity of out-of-home media is rising because they are seen as becoming *more* effective. One observer commented: "The world of outdoor media, so often the unloved child of advertising, has suddenly become the exciting cousin" (*6*). This perception is certainly related to the belief, often quoted, that people are spending more time outside of the home (*7*). Whereas all advertising sales grew at a compound rate of roughly 4% between 1997 and 2007, advertising sales for out-of-home media grew roughly 6% over the same period (*2*). As the outdoor advertising community likes to point out, out-of-home media's advertising growth rate is second only to that of Internet advertising.

This study was motivated by the belief of the America Public Transportation Association (APTA) that public transit agencies could be—and probably have a need to be—benefiting more from their advertising assets. Transit is currently just 0.4% of all media spending in the United States. APTA has set an objective of capturing 1% of U.S. media dollars; in other words, growing transit advertising from an $800 million business to a $2 billion business—two-and-a-half times its current size.

To state the obvious, this is an extremely aggressive growth target. In this light, one can appreciate that the essential question of this study is *not* "What can be done to stimulate higher sales for transit advertising?" Rather, the essential question is "What can be done to generate a *quantum leap* in demand for transit advertising?" Addressing this question was the focus of the research conducted for this study. As context, this chapter offers explanations of the media landscape, transit advertising's position within this landscape, and advertisers' changing attitudes toward media.
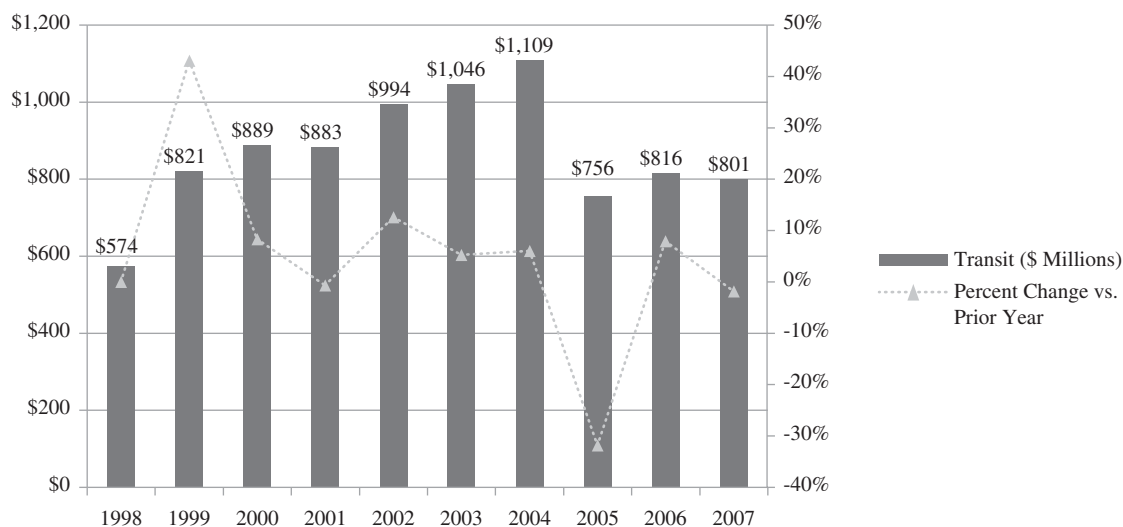
Source: Outdoor Advertising Association of America (*2*).

Figure 1. Transit media sales, 1997–2007.

Scope of the Study

An obvious candidate for a leading obstacle to transit advertising growth is the presumed poor image of transit advertising. It is common to hear people in the industry express the belief that advertisers perceive transit advertising to be unexciting, dirty, and for downscale audiences. Clearly, not only did the image and perceptions of the ultimate purchaser of transit advertising need to be understood, but also the extent to which these perceptions constituted a barrier to greater demand.

The fix for image issues would typically include more strategic communication to media decision makers of the benefits of transit advertising. In addition to understanding the image issues that needed to be addressed, however, the research team also needed to explore the mechanics of media selection. Specifically, the research team needed to understand where the leverage lies in decisions of media selection: is it with the advertisers or with the media planners who serve the advertisers? The research team also needed to understand the competitive set within which the media decision maker places transit media. This need informs the question: Does transit media's selling message need to make it more compelling than billboards, all out-of-home media, or every type of media available?

With the extent of growth desired, the search for obstacles to growth needed to be as comprehensive as possible. Therefore, the research team looked beyond positioning and communications issues at such factors as:

- **The product:** Are media planners and advertisers satisfied with how the product performs?
- **Pricing:** Could price and production costs be a barrier to greater usage?

- **Sales:** Are the approaches to selling transit media currently used by advertising sales contractors effective?
- **Management:** Are public transit agencies, in managing contracts with advertising sales organizations, doing everything they could do to support growth in advertising sales?

In short, the research team knew that the *marketing* of transit advertising needed to be addressed, from positioning to communications, promotion, pricing, and product design and innovation. But, as with all businesses, other functional areas needed to be assessed for possible obstacles to growth, as well. So, in the research, the team touched on sales, contracting for sales and maintenance operations, and transit agency management of contracts. Thus, the research team was able to achieve what it believes to be a comprehensive assessment of the obstacles to—as well as opportunities for—significant transit advertising growth.

Research Objectives

The overall research objective was to identify major obstacles to the growth of transit advertising sales and to provide direction for how to address the issues. The intent was to develop strategy recommendations for each of the three parties in position to influence how transit advertising is offered to the marketplace. These three parties are the advertising sales contractors, the public transit industry association and, of course, the transit agencies, themselves.

On the purchasing side of the equation, there are two parties: advertisers, the ultimate purchasers of media, and media planners, the advisors to advertisers. Clearly understanding each party's perceptions of transit advertising was important.

A preliminary set of 20 telephone interviews with media planners confirmed the initial hypotheses that (1) the majority of advertisers use media planning services and (2) media planners act as gatekeepers to advertisers in the selection of media and therefore have most of the leverage when it comes to selecting which media to purchase. Therefore, with the approval of the project panel, the research team decided to focus the main quantitative study on media planners, rather than on advertisers.

The sample of 153 media planners comprised general media planners and out-of-home media specialists. General media planners with predominantly national advertisers as clients as well as those with predominantly regional and local advertisers as clients were surveyed. The hypothesis was that significant differences would exist between each pairing in purchasing behavior, levels of familiarity and usage of transit media, and attitudes and perceptions of transit media. The sample included all geographic areas and media planning houses of all sizes.

During and after the media planner quantitative study, the research team interviewed a random sample of advertisers for their experiences with and opinions of transit advertising.

The research team also conducted telephone interviews with 15 advertising sales contractors. Here, it was important to understand their views of transit media, especially if they sell other types of media as well. Also, as the actual sellers of the medium, in the large majority of instances, it was important to hear their thoughts on obstacles to sales growth. Included in the interviews were high-level representatives of most of the major media sellers, who, through recent consolidations, are responsible for the majority of the transit ad sales conducted through contractors.

Finally, the research team also conducted a survey of transit agency marketing executives. It was important to hear from the transit agencies themselves on ideas for, and obstacles to, increasing advertising sales.

Literature Review

Though the *public's* perceptions of public *transit* are widely studied, there are no existing studies of *advertisers'* perceptions of transit *advertising.* However, various studies, including previous TCRP studies, have touched upon aspects of transit advertising and are worth summarizing here.

TCRP Synthesis of Transit Practice 51: Transit Advertising Sales Agreements (*1*) reports on the level of revenue generated through advertising by a sampling of public transit authorities, as well as the variables that affect this level. *TCRP Synthesis of Transit Practice 32: Transit Advertising Revenue: Traditional and New Sources and Structures* (*8*) was the 1998 precursor to *TCRP Synthesis 51* and reported essentially similar data. *TCRP Report 63: Enhancing the Visibility and Image of Transit in the United States and Canada* reports on the image of transit

among the public, not the image of transit advertising among purchasers of advertising. It was therefore not pertinent to the current study.

Beyond TCRP, a 2005 survey by the Traffic Audit Bureau for Media Measurement Inc. (TAB) reported findings on national advertisers' use and perceptions of out-of-home media, in general (*10*). A 2005 study in the *Journal of Media Economics,* entitled "Local Advertising Decision Makers' Perceptions of Media Effectiveness and Substitutability," reported on local advertisers' perceptions of the effectiveness of various local media formats (*14*). A 2002 Arbitron study reported findings on the importance to advertisers of audience measurement systems (*9*). And finally, a study commissioned by Starbucks evaluated the effectiveness of out-of-home media in achieving the coffee company's communications objectives (*12*).

Advertising Revenue Generated by Transit Agencies

TCRP Synthesis 51 (*1*) reported that, in 2002, the actual amount of dollars coming into transit agencies from the sale of advertising ranged from $50,000 for the smallest agencies (e.g., Ben Franklin Transit in Richmond, WA) to $150,000 to $300,000 for mid-range agencies (e.g., Fresno Area Express) to anywhere from $3.5 million to $20 million for large transit agencies in top 20 media markets (*1, p. 19*). Furthermore, advertising revenue typically represents an extremely small portion of transit agency total revenue. Based on its survey of 53 transit agencies representing a cross section in terms of size, location and whether the agency was a bus-only, rail-only or a bus-and-rail system, the study reported that advertising revenue constitutes between 0.1% and 3.2% of transit agency revenue (*1, p. 19*).

TCRP Synthesis 51 (*1*) also reported that advertising revenues received by transit agencies grew between 1999 and 2002. As Figure 2 shows, over that period, more than 25% of the agencies surveyed achieved advertising revenue growth of more than 60%. *TCRP Synthesis 51* explains that the most rapid growth was experienced by the largest transit agencies, driven largely by competition for the contracts at a time when media sales forecasts were extremely optimistic. Also fueling the growth in advertising revenue, according to the study, was increasing ridership. At the time of the study (2004), public transportation ridership had increased 30% since 1995, nearly doubling the growth rate of the population over the same period (*1, p. 19*).

TCRP Synthesis 51 states that the key determinants of an agency's revenue from advertising are the transit agency's size, which in turn determines the amount of advertising inventory available, and the rates the agency is able to charge for its advertising inventory. Rates, in turn, are dependent on the population of the market, the placement of the ad, and the size of
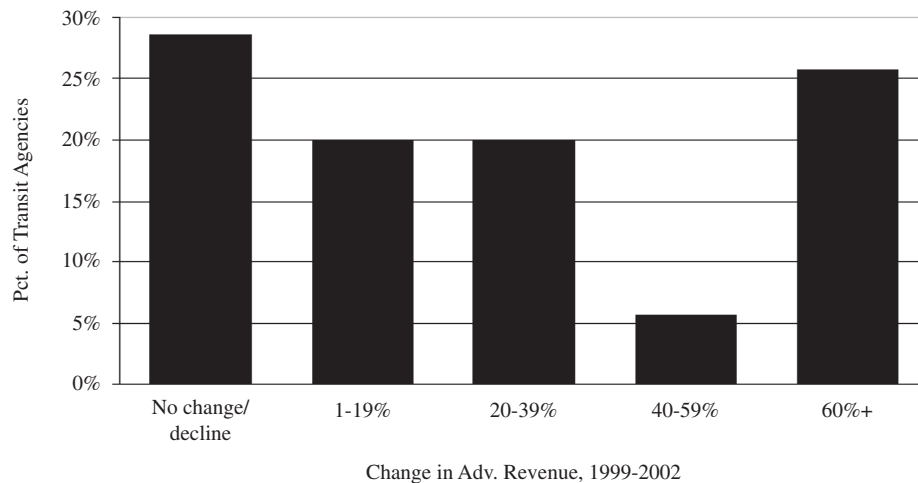
Source: *TCRP Synthesis 51 (1)*

Figure 2. Growth of transit agency advertising revenue, 1999–2002.

the ad. The study found that, among bus exterior advertising options, bus wraps could command a significantly high premium. For example, full bus wraps were priced four times higher than the package of two kings, a tail and a headlight in some larger markets. In some medium to smaller markets, bus wraps sold at prices five to ten times the price of a king (*1, p.18*).

As alluded to above, another factor in determining overall advertising revenue levels can be the timing of negotiation of the advertising sales contract. Because of the apparent advertising boom in the late 1990s, many transit agencies negotiating their contracts at that time benefited from the industry's optimism in the form of greatly inflated minimum annual guaranteed revenue levels. Among the 13 largest transit agencies that participated in the *TCRP Synthesis 51* study, the three reporting above average revenue levels attribute this result to having negotiated their ad sales contracts during a general economic boom time and to having had big players competing for their contracts (*1, p. 23*).

Among the 13 medium to small agencies that responded to the study survey (all bus-only systems), above average revenue performance was attributed to two factors. One factor was negotiating advertising sales contracts during an economic boom. The other factor was selling advertising in house (*1, p. 24*).

TCRP Synthesis 51 also offers ideas for how transit agencies can increase their revenue from advertising. In Chapter Three, "Market for Transit Advertising," the study notes the following:

> Of potentially great future significance is improved audience measurement and validation, because the value of outdoor advertising has been held back by the absence of detailed data on audience demographics." (*1, p.15*)

TCRP Synthesis 51 found that the most common transit advertising occurs on buses, both interior and exterior; trains,

both interior and exterior; and train stations and platforms. Although 95% of bus services offer exterior bus advertising, only 23% sell bus wraps. Among the 77% of rail services that sell car interiors and 69% that do rail platforms, only 23% sell car wraps and only 23% sell digital displays. The study suggests that transit agencies could increase the value of their advertising assets by creating new inventory (*1, p. 10*). It found as well that a minority of public transit authorities (less than 20%) sell advertising space on fare cards, tickets, transfers, schedules, maps, paratransit vehicles, and structures that are part of the right-of-way (*1, p. 10*).

Something that can reduce potential advertising revenue, the study notes, is the use of non-standard ad sizes. When ad sizes deviate from the most common (bus kings, queens, etc.), advertisers are less likely to purchase that ad space because it necessitates additional production expenditure (*1, p. 5*).

The 1998 study (*8*) was essentially a survey of advertising practices from across the country and overseas. Though advertising revenue was not the main focus of this study, it did report that revenue from advertising constituted from 0.1% to more than 6% of operating budgets, with the majority of transit agencies around 0.5% (*8, p. 21*). It also reported that 58% of the bus services responding to the survey indicated that they sell whole bus wraps (*8, p. 14*). The survey was answered by 26 U.S. transit agencies of varying sizes and locations.

Advertisers' Needs with Respect to Out-of-Home Advertising

In early 2002, Arbitron, the media measurement company, interviewed 300 advertisers in an Outdoor Industry Needs Study (*9*). The study found the following:

An audience ratings profile of outdoor media consumers is needed. Agencies and advertisers urgently requested age, sex, and gender information for those exposed to outdoor advertising, as well as information on roads traveled in the past week and data on the shopping and buying habits of consumers reached by outdoor media. (*9*)

At the time, the only audience measurement available was counts of vehicular traffic. Though audited by a third party, the TAB, most media planners and advertisers still found the data too flimsy for planning and evaluation purposes. This study marked the beginning of the multi-year collaboration among Arbitron, the TAB and the Outdoor Advertising Association of America (OAAA) to institute an "eyes-on" measurement system—one that measures the number of people actually viewing the billboard—that will debut in fall 2008.

Use of Out-of-Home Advertising

The TAB—a not-for-profit agency founded by national advertisers, advertising agencies and out-of-home media companies—conducted a survey in 2005 of members of the Association of National Advertisers (ANA) (*10*). The TAB is out-of-home media's "verification authority" and, as such, is the keeper of the only existing methodology for calculating the audience impact of out-of-home media. The aim of the 2005 survey was to understand national advertisers' use of out-of-home media: frequency of use, amount of spending, barriers to increasing spending, and more.

The survey yielded 75 responses, which, the report on the survey acknowledges, is too small a sample to be truly representative of national advertisers. Among its 75 respondents, the survey found that one-third either does not use out-of-home media or uses it only rarely. Sixty-six percent of respondents reported that out-of-home media is less than 5% of their total media budgets. Thirty-five percent said they expected next year's out-of-home budget to increase, and 59% said they expected it to stay the same (*10, p. 3*).

When asked how often they use transit media, nine respondents (12%) said "regularly," 45 (60%) said "occasionally," and 21 (28%) said "never" (*10, p. 4*). These responses are shown with the responses for other out-of-home media in Table 1. Respondents were able to define the categories of media however they saw fit. As a result, some categories may be over reported. Over-reporting would most likely occur in the "Alternative OOH [out of home]" and "Transit" categories.

The survey went on to ask respondents about the reasons they have for using out-of-home advertising and the barriers that limit their usage. These questions were open-ended—i.e., respondents were required to write in their answers rather than select options from a pre-established list. According to the survey report, there were seven top reasons given by respondents for using out-of-home media:

Table 1. Frequency of 75 national advertisers' usage of out-of-home media.

OOH Media	Frequency					
	"Regularly"		"Occasionally"		"Never"	
	No.	%	No.	%	No.	%
Billboards	28	38	41	54	6	8
Alternative OOH (including in-store)	19	25	46	62	10	13
Transit	9	12	45	60	21	28
Street Furniture	7	9	43	58	25	33
Cinema	3	4	34	46	38	50

Source: TAB (*10*)

- Tactical—surprise and delight our audience
- Geographic and demographic targeting
- Build local presence—community
- Take advantage of receptivity at events
- Mass reach
- Proximity to retailers/malls/point of purchase
- New product launches (*10, p. 5*)

The report concludes that there are eight "main challenges advertisers want addressed by the out-of-home industry":

- Accountability/measurement
- Metrics for including in return-on-investment (ROI) evaluation
- Proof of performance
- Audience research
- Production costs relative to space costs
- Costs—some formats/national campaigns
- Availabilities and locations
- Lack of cross media currency comparability—OOH is currently dealt with as a separate line from other media

Several of the barriers are related to the ability to measure and assess the value of out-of-home media with methods comparable to those in use by traditional media forms (*10, p. 6*).

Effectiveness of Out-of-Home Advertising

Billboard Effectiveness

There are two field studies that examined the impact of out-of-home advertising.

The Mentos Study. A recent study sponsored by OAAA and Posterscope, a leading out-of-home media agency, measured the effectiveness of an out-of-home campaign for the

mint candy Mentos. During May–June 2007, the Mentos brand ran an outdoor campaign in select Cincinnati metro counties comprising "bus wraps, billboards, posters, gas station displays, mall kiosks and street teams." The campaign endured for four weeks at a 75 showing, i.e., the ad had an opportunity to be seen by 75% of the target audience (*11*).

Measuring consumer awareness of the brand and its advertising both pre- and post-campaign, the researchers found that unaided brand awareness increased 62%, and total brand awareness (unaided plus aided) remained constant because the pre-campaign awareness level was already very high (93%). The percentage of respondents that recalled seeing the Mentos ads used in the out-of-home campaign was 32% (*11, p. 5*), a relatively high recall level, generally speaking. The researchers concluded that "The Mentos campaign was successful in its ability to move awareness for all key measures other than total brand awareness, which is to be expected, given Mentos' high familiarity in the pre Wave" (*11, p. 2*).

The Starbucks Study. The second field study was conducted on the Starbucks brand and reported in June 2003 at the Advertising Research Foundation's Out-of-Home Conference in Los Angeles. Starbucks is famous for eschewing television advertising of any kind in favor of local communications approaches. The 2003 research measured the number of new purchasers generated for each 1 cent spent on advertising for a variety of advertising types. The media varied—TV, magazine, radio, billboards—as did the advertising used in each medium. The results showed that, of 24 ads across the media, three of the top five ads were billboards. Again, the measurement was the number of additional purchases generated per 1 cent of advertising by those having noticed the ad. The study concludes that billboards can be comparable to traditional media in terms of producing desired consumer behavior. The study also highlights billboards' cost effectiveness in reaching the target audience: it reports that, among the four media, billboards accounted for 27% of the ads recognized and only 18% of the advertising expenditures (*12*). No other medium showed close to this leverage.

Finally, the research also explored complementarities among media. Among respondents not reached by Starbuck's traditional media (TV, radio and print), billboards reached the greatest number of consumers. The study draws a conclusion about overlapping media: since overlap tends to be greatest among traditional media types, adding out-of-home to a mix of traditional media will make the greatest contribution in terms of consumer impact (*12*).

Transit Advertising Effectiveness

Transit TV. The research team located one report on the effectiveness of transit TV advertising. Carroll Media Services, Inc, a company providing auditing services on behalf of out-of-home advertisers, conducted this study in early 2007 to assess the effectiveness of TV advertising on Metropolitan Atlanta Rapid Transit Authority (MARTA) buses. Three hundred randomly selected riders were asked to recall four different specific commercials on an unaided and aided basis. The recall rates were very high, at an average of 59%, with a 35% recall rate for unaided recall. These results compare very favorably to traditional media such as broadcast TV, which has an unaided recall rate of 13% (*13, p. 10*). Both transit TV and billboards have more than double the recall rates of any other advertising medium (*13, p. 26*). Please note that the research team for TCRP B-33 did not independently verify these research findings or the comparative data presented, and that Carroll Media Services appears to be a provider of local media, not a market research company.

Perceptions of Local Advertisers. A 2005 study published in the *Journal of Media Economics* also sheds light on the perceived effectiveness of transit advertising (*14*). Four University of Georgia researchers surveyed 130 advertising decision makers located in six northern Georgia counties, all of whom advertised in the nearest large city, Athens. This study is relevant to the topic at hand because the vast majority of the 6000+ transit systems in the United States (*8, p. 8*) depend primarily on local advertisers to purchase their advertising space. Also, of the 13 transit agencies from medium to small media markets in *TCRP Synthesis 51,* nine (69%) reported that 90% or more of their advertising revenue comes from local advertisers (*1, p. 13*).

The media available in the Georgia study included broadcast TV, cable TV, radio, two daily and one weekly newspaper, one city magazine, three coupon books, three outdoor companies, and three transit companies, including Athens Transit, offering 17 bus routes. Respondents were asked to rank order 14 types of media based on "advertising-delivery effectiveness." The study concluded that "no medium dominated the local decision makers' effectiveness ratings" (*14*). However, two media received the most top rankings: daily newspapers (34%) and radio (27%). Transit was one of two media (along with preprinted inserts) not selected by any respondent as most effective. Aside from top rankings, no further data were provided on the rankings. For example, the frequency with which a medium was selected to be within the top five most effective might lend a different hue to the results.

Media Industry Overview

The "New Media Environment"

Much has been, and is still being, written about the watershed changes in the U.S. media landscape and what they mean for advertisers. Essentially, the advent of cable television, the Internet, and digital technology, all within the past 20 or so years, has been the driver of the media landscape's

significant transformation. Whereas 20 years ago, advertisers could count on reaching a large portion of their target audiences via broadcast television, radio and print media, today advertisers need to think about reaching a multitude of more tightly defined target audience sub-segments with a portfolio of media options.

Cable's and satellite's introductions of multi-channel capabilities opened up the possibility of tailoring a channel to more specific target audiences than broadcast television and radio ever dreamed of reaching. And in doing so, they were able to meet the needs of advertisers, who want to reach specific target audiences with the greatest efficiency possible. Home improvement retailers can now advertise on the home improvement channel, where do-it-yourself enthusiasts remain transfixed for the evening; products targeted to Latino audiences can now advertise on Spanish language radio and television, with the confidence that their intended targets are in the audience. While not the death knell for broadcast vehicles, cable and satellite have certainly taken a toll.

Also taking a huge toll on traditional broadcast vehicles is the Internet as a source of both information and entertainment. Seen from this perspective, consumers' laptop computers, as well as any other hooked-up personal device, are in direct competition with television. What observers of the major network companies have long seen is the direct threat posed by the Internet and its ability to provide news, entertainment and—something television doesn't provide—endless up-to-date sources of information to consumers wherever they are at the moment they desire it. Consumers are paying attention to more screens than just their home television screen, and advertisers are taking this into account when they allocate their advertising budgets. Not surprisingly, Internet advertising, including display ("banner") ads, search engine marketing and email marketing, is the fastest growing sector of the media market in the United States and the world (*15*).

The previous paragraph essentially describes the advent of so-called digital advertising onto the media landscape, and this is, without question, the most significant change to have come about. The other major change to the media landscape, most would agree, is the resurgence of out-of-home advertising. Though not a "revolution" in the sense of digital media's entrance, it is still a major development, and of course pertinent to this project.

The word "resurgence" is commonly applied because billboards, the original outdoor advertising medium, are considered the oldest form of advertising known. The advent of *digital* billboards, though still roughly only 8% of the total U.S. billboard market, is generating a lot of excitement in the advertising world (*16*). More importantly, the appearance of innumerable new forms of out-of-home advertising media— taxi tops, telephone booths, movie theaters, grocery checkout lanes, coffee cup holders and pizza boxes, to name but a few—has put outdoor media, now known more generally as out-of-home, once again on the media map.

Demand for Media

Although there is no definitive source on the size of the U.S. media market, a solid estimate is roughly $230 billion (*4*). This reflects declines in the market of 0.7% for 2007 and roughly 3% for 2008. This comes on top of a 2006 growth rate of roughly 4%, which was described at the time as a slump.

Universal McCann, a source of widely respected media and advertising industry forecasts, attributes the slowdown to "economic performance and less-than-highly optimistic business expectations as contributing to the cautiousness and tight controls on most forms of communication spending" (*17*). Also offered as a reason for the slowdown, however, is the behaviors of advertisers, themselves: "Big business has been cutting every expense they can as they focus on improved productivity, profit growth and the buildup of cash. [New forms of media] have violently impacted many established media as the appeal grows for marketing tactics that are closely tied to an immediate consumer transaction" (*17*). In other words, advertisers are shifting spending to whatever they identify as having the ability not to make a consumer feel good about the brand (as traditional advertising is intended to do), but to make that consumer head straight for the nearest point of sale for that advertiser's products or services. Additional discussion of trends among advertisers appears in "Marketing and Advertiser Trends," later in this chapter.

According to Universal McCann data, despite an overall slump, several sectors in the media market grew in 2007. Topping the list is Internet spending, increasing by roughly 16%. Out-of-home is the second fastest growing media sector with expenditures increasing by roughly 7% in 2007 (*1*).

Major Trends in the Media Industry

Decoupling of Advertising Services from Media Services

Up to the 1990s, it was fairly standard for advertisers to hire one advertising agency to handle all of their communications needs. Within the advertising agency were creative services, the art directors and copy writers who created advertising; media planners, who developed media plans; media buyers, who specialized in getting the best media placement and prices for clients; production specialists, like directors of television commercials; and account people, who managed all of the efforts and served as the primary contact with the advertiser.

Since that time, advertising has taken on many more forms than television commercials and print ads. Advertisers now hire a cadre of agencies, each specializing in an area of advertising

development. Thus, interactive advertising agencies and direct marketing agencies now coexist with the so-called "traditional" advertising agencies. Once this breakup happened, advertisers no longer saw efficiency in having their advertising agency also handle their media planning and buying. Thus, media planning and buying has now become a standalone specialty, as well.

In attempts to retain their business, the traditional advertising agencies have turned themselves into global advertising agency holding companies that comprise the full spectrum of communications services. Omnicom, WPP Group, Interpublic Group (IPG), Publicis, Havas and Dentsu are the six largest global advertising holding companies today. In addition to owning several advertising agencies, each owns one or more media planning and buying agencies. To a large extent, the top tier global advertising agencies, like McCann (IPG), DDB Needham (Omnicom), and Saatchi & Saatchi (Publicis), no longer have media services in house. They have sister agencies that specialize in media [for example, Universal McCann (IPG), OMD (Omnicom), and StarCom MediaVest Group and Zenith Optimedia (Publicis)].

In contrast, many regional and local advertising agencies, even those owned by the global holding companies, have kept their original combined structure. This structure could be in recognition of a preference by the smaller advertisers that this class of advertising agency attracts.

Advent of Out-of-Home Specialization

Specialization within branches of the media world is the natural outcome of the explosion of new media types. Firms specializing in advertising on the Internet probably constitute the fastest growing segment in the advertising industry. But there has also been, over the past 10 years, significant growth in firms that specialize in out-of-home media and advertising.

There are a few reasons for this growth. First, out-of-home is a local medium. Meaning that, although "national" out-of-home campaigns exist, each city included in that national buy is purchased at the local level because the out-of-home advertising inventory varies so greatly from location to location. So, while the advertiser might want subways in New York City, billboards might be the optimal medium to suit the advertising objectives in Los Angeles.

In addition, the number of types of advertising that are being classified as out-of-home is exploding. By some accounts, there are well over two hundred types of out-of-home media, including everything from billboards and stadium signage to coffee cup sleeves and pizza boxes. Finally, there are widely believed to be unique creative issues associated with delivering effective out-of-home advertising. Expertise in creative development for out-of-home vehicles is another driver of out-of-home specialization. The bottom line is that out-of-home advertising and media have become recognized as full-fledged areas of knowledge and expertise unto themselves.

Thus, the global advertising agencies are either creating an out-of-home advertising division or actually spinning off an out-of-home advertising company. Smaller general agencies are sometimes appointing an out-of-home specialist. Also on the rise are independent out-of-home media planning and buying agencies. Among these are some that are gaining large and prestigious national advertisers as clients.

How this looks in terms of where the decisions about media are happening is as follows. Some advertisers ask their general advertising agency to prepare an out-of-home media plan as part of their overall media plan. The account executive at the agency then delegates media planning to the head of media, who delegates responsibility for the out-of-home portion of the media plan to their out-of-home department, subsidiary or sister company. If there is no out-of-home media organization, just a general media planning organization, that media planning team is likely to have an out-of-home specialist among them. Other advertisers go directly to their out-of-home advertising agency.

The emergence of out-of-home as an area of specialization is nothing but positive for transit media and its growth potential. It means that more media planners are motivated to spend more time getting to know out-of-home media in intimate detail. This presents a great opening for transit media to tell its story to its best advantage.

The Outdoor/Out-of-Home Media Market

Despite the anemic growth of U.S. media overall over the last couple of years, outdoor advertising performed well. Figure 3 shows that, in 2006, total outdoor advertising rose roughly 8% to $6.8 billion, and in 2007, it grew another 7% to $7.3 billion (2). However, because of a very weak fourth quarter, outdoor advertising sales dropped 4% in 2008 (18).

Segments of the Out-of-Home Market

OAAA organizes out-of-home media into four segments. The largest segment is billboards, accounting for 66% of all out-of-home media dollars, up from 64% in 2006. Transit media—including buses, subway and rail, airports, truck sides, taxi displays and wrapped vehicles—represented 11% of all out-of-home media in 2007, down from 12% in 2006. Street furniture—including bus shelters, convenience stores, shopping malls and kiosks—was 7% in 2007, and alternative out-of-home—including arena and stadium advertising, interior place-based, airborne, marine, resorts and leisure, and exterior placed-based digital media—represented 16% in 2007.

As Figure 4 shows the billboard segment accounted for roughly $4.8 billion in revenue, transit media for $800 million in revenue, street furniture for $510 million in revenue
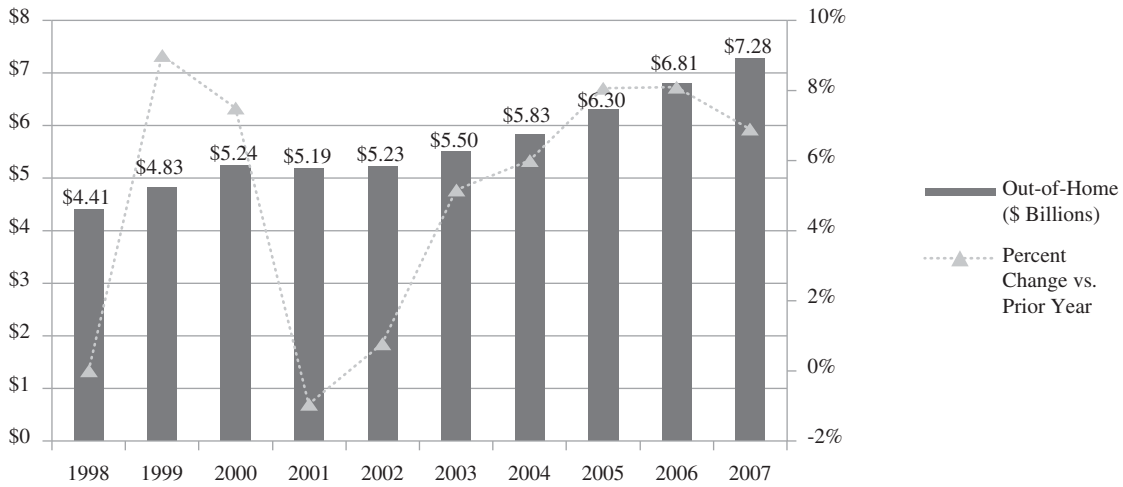
Source: Outdoor Advertising Association of America (*2*).

Figure 3. Out-of-home advertising revenue, 1998–2007.

and the alternative segment for $1.2 billion in revenue. Note that OAAA's transit category includes airport advertising, truck sides and taxi displays, making this definition broader than the concerns of this study: the transit media owned by public transit authorities.

Alternative out-of-home advertising is the fastest growing segment within out-of-home. The alternative segment grew about 28% in 2007 (compared to total out-of-home growth of 7%). For 2008, it was forecast to grow at a slightly slower rate of 23%. One industry observer is forecasting that alternative media will generate 50% of total out-of-home media sales in 2012 (*19*).

Innovation in Out-of-Home: Emergence of Digital Technology

Digital and liquid crystal display (LCD) technologies are widely believed to be the most significant trends in out-of-home advertising today. The advent of these moving, intensely colored technologies is refreshing the image of older, static media, particularly billboards and subway posters. Though only a small portion of billboards and subway posters are digital at this time, there is a widely held sense that digital formats will eventually dominate, as they already do in some major cities overseas.
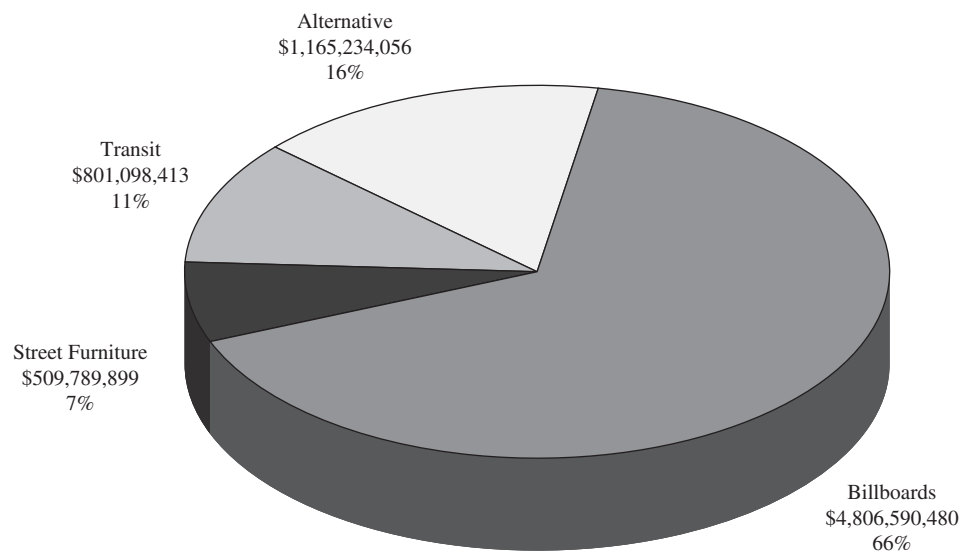
Source: Outdoor Advertising Association of America (*2*).

Figure 4. Four major segments of out-of-home advertising.

To advertisers, one of the biggest advantages of digital displays is their ability to be instantly modified. Advertisers can change or adapt their ads overnight, if they so choose. Advertisers can also alter the ads during any given day to suit the time period. A fast food company can show a breakfast offering on the morning drive and a dinner offering during evening drive time. To advertisers, the abilities to more precisely target delivery of their advertising to audience segments and to tailor messaging to particular segments are of great value.

The alterability of electronic billboards holds advantages for the owners of the advertising space as well. It gives them the ability to sell one billboard to several advertisers using the same "daypart" structure that has existed in television and radio. Should one daypart—for example, the morning commute period of time—generate high demand from advertisers, it could offer an opportunity for higher pricing of the space. A Citigroup analysis estimates that digital displays can generate from five to sixteen times the revenue of a static display (20).

Another advantage of digital technology is that it enables out-of-home media to become interactive. Bluetooth technology is already enabling billboards and subway posters to send consumers—via their cell phones—digital coupons, music downloads, movie trailers and video games. In the view of one such technology provider, "For the advertiser, it really turns out-of-home into a direct-response mechanism" (21).

Out-of-home advertising is moving in the experiential direction as well. A Titan campaign for the London Underground celebrating the launch of the Sweeney Todd movie included free wet shaves at the Liverpool Street Station (22).

Lastly, there are early uses of new technologies surfacing. Cross-Track Projection offers advertisers a high-quality digital image in a widescreen format. This technology will be in use this fall in the London Underground as well as on New York City's Metropolitan Transit Authority underground stations (23). CBS Outdoor is illuminating both sides of London buses. One side's images are static, while the other, longer side offers moving images. Finally, JCDecaux and Clear Channel Outdoor are offering illuminated LED frames in a variety of hues to serve as "halo lighting" for posters (22).

Approaching Watershed: Introduction of an Audience Measurement System

Over the past several years, the out-of-home media industry has begun to address issues of advertising accountability. The industry has already established consistent planning and buying standards and adopted common post-campaign evaluation procedures. Its latest initiative, an audience measurement system comparable to television's and radio's, is scheduled to launch in fall 2008. This new audience measurement system, developed for the industry by the TAB along with Arbitron and OAAA, is an "eyes-on" system, meaning that it measures the number of people actually viewing the billboard. This is an improvement over television's rating system, which measures the number of people with the *opportunity* to see the ad. A Wachovia Capital Markets evaluation of this new audience measurement system estimated that its introduction will result in the billboard industry's ability to more than double its size, adding $7 billion in annual revenue (24).

The Transit Media Market

Transit media had been the second fastest growing segment within the out-of-home market, behind alternative. In 2006, transit advertising revenues increased 22% to $816 million, faster than out-of-home overall. However, in 2007, revenue decreased 2% to $801 million, as shown in Figure 1 (2). Again, the definition of transit media used in this analysis includes airport media, truck sides and taxi displays.

Transit advertising revenue's significant setback, since the high point on 2003, is due to the advertising bust, triggered by the Internet bust of the late 1990s. Advertising sales contractors locked into generous guaranteed minimum contracts in the late 1990s and proceeded to lose millions of dollars on those contracts through the early 2000s, while transit agencies collected their high guaranteed payments. The majority of those contracts ended in 2004.

Why transit has been unable to significantly rebuild revenues after this correction is unclear. The purpose of this report is to illuminate some possible explanations as well as steps that may be taken to reignite transit advertising's growth.

Promotion Activities of Media Trade Organizations

For several types of media, a media trade organization exists for the purpose of promoting the medium to drive growth. This section looks at a few notable examples of media trade organizations that appear to be having an impact.

Interactive Advertising Bureau

The Interactive Advertising Bureau (IAB) was founded in 1996 and represents the sellers of 86% of U.S. interactive advertising (25). For the uninitiated, interactive advertising is advertising that uses interactive media, including the Internet, interactive television and mobile phones. According to its website, the IAB "is dedicated to the continuing growth of the interactive advertising marketplace, of interactive's share of total marketing spend, and of its members' share of total marketing spend." A primary motivation seems to be to "create [a] countervailing force to balance the power of other media, marketing and agency trade groups" (26). To achieve these objectives, the IAB's primary strategies appear to be the following:

- Educate advertisers and advertising agencies about the benefits of interactive advertising.
- Create measurement guidelines and creative standards.
- Generate research studies substantiating the effectiveness of interactive advertising.
- Offer thought leadership for participants in the interactive advertising marketplace.
- Promote best practices among sellers of interactive advertising.
- Advocate for supportive regulation/fend off detrimental regulation in Washington.

The IAB's most visible activities are the events it stages. The events serve multiple purposes: they educate advertisers and agencies—the buyers—on interactive media; they offer promotion opportunities to sellers of interactive media; and they generate buzz about interactive ads to both stimulate interest and elevate the media's image. A prime example of how the IAB uses events to promote the industry follows.

In September 2007, the IAB staged the MIXX (Marketing and Interactive Excellence) Conference and Exposition. It was the kickoff event to Advertising Week–New York City, and brought marketing and agency professionals together with the sellers of interactive ad space. The content of the conference served to both educate advertisers and agency professionals about interactive media and to provoke dialogue on the issues facing interactive media. Included in the two-day event was a "spectacular multi-media awards show and gala" recognizing creativity and effectiveness in interactive advertising (MIXX awards were presented). There was also an exhibition hall at which sellers of interactive advertising and related products and services could showcase their latest wares.

One of IAB's most significant functions is establishing creative standards. The organization's belief is that standardization of ad sizes makes ad space more appealing to advertising agencies for the increased workload efficiency it generates. As a result, media planners are more likely to recommend the media to advertisers (*27*).

Establishing conventions for measurement of new media is also a key function of the IAB. Its Measurement Task Force drafts the methodology by which an advertising impression is made for a new medium, and then seeks public comment. In November 2004, the IAB issued what is now the global standard for counting on-line ad impressions. The IAB obtained the endorsement of major advertising industry organizations throughout the world, gaining acceptance of its plans and establishing its central role in advancing the use of interactive media (*28*).

The IAB's website is highly sophisticated, serving not only as a resource for members (again, mostly sellers of interactive advertising space and related products and services), but also for advertisers wanting to learn more about interactive adver-

tising. There, advertisers can download a nine-page paper called, "Interactive Advertising: At the Center of Every Powerful Campaign." The stated intent of the paper is to help advertisers incorporate the multiple forms of interactive advertising into their marketing mixes. Its frequent mention of the many benefits of interactive advertising also qualifies it, in the research team's opinion, as a sales brochure. Importantly, the paper's first paragraph expresses the core value proposition of interactive media: "By using interactive, marketers can target the audience that matters to their brand, allow their customers to experience the brand the way they want to and then measure the effectiveness of their marketing dollars" (*28*). Clearly, the IAB includes active promoting of interactive media to be among its core functions.

Other resources available on the IAB website include case studies showing effective application of interactive advertising, the latest press coverage of interactive advertising, and a series of white papers offering best practices on a variety of topics specific to interactive advertising, developed by committees of IAB members.

The IAB conducts studies to prove the efficacy and efficiency of interactive media. An example is a recently completed study on the return-on-investment of advertising on Internet local, classifieds and directory sites. Proving the media's efficacy through research, along with establishing measurement protocols and conventions, are initiatives meant to increase the perceptions of legitimacy of the media as they compete for advertising dollars against established and measurable media.

Another recent and high-profile study done by the IAB is called "Marketing and Media Ecosystem, 2010." It synthesizes the opinions of advertisers and agencies into a view of the marketing and media world of 2010 where, as one might expect, interactive marketing plays a very significant role. The IAB's partners in the ongoing study are the Association of National Advertisers, the American Association of Advertising Agencies and Booz Allen Hamilton management consultants. Again, the IAB is at the center of activity of the emerging interactive media industry, allying itself with prominent partners, generating attention for its "product," and delivering the measurement tools and research studies to establish interactive media's legitimacy.

The IAB has been led since January 2007 by a former *Advertising Age* magazine editor and *New York Times* reporter, Randall Rothenberg. In addition to explaining and promoting interactive advertising to potential buyers, Mr. Rothenberg appears tireless in his efforts to win popular support for the new types of advertising his organization represents, a strategy for keeping regulators at bay. When a well-known social networking website made a controversial advertising move that was immediately panned by the website's users, Mr. Rothenberg placed an op-ed piece in *The Wall Street Journal,* using the

incident as proof of the lack of need for external regulation of interactive media.

Outdoor Advertising Association of America

OAAA is a similar organization to the IAB in terms of its model. It exists to promote use of its media (historically billboards) and represent the industry's interests with local and federal regulators. Like the IAB, the OAAA stages large conferences that serve multiple purposes, including educating and motivating prospective buyers (advertisers and media agencies), addressing issues facing the industry (for example, the lack of a credible audience measurement system), and creating a buzz about the medium (for example, by presenting awards to the advertisers and agencies that use the medium to its best advantage).

In support of its mission "To provide leadership, services, and standards to promote, protect and advance the outdoor advertising industry," OAAA's strategic objectives include the following:

- Ensuring a positive legal and regulatory environment for outdoor advertising companies
- Increasing the market share of outdoor advertising
- Providing credible information about outdoor advertising
- Improving the "quality, appearance, safety and effectiveness" of outdoor advertising (2)

OAAA hosts an annual national convention at which it presents its OBIE awards to advertisers and agencies for creative excellence in outdoor advertising. Another way in which OAAA attempts to engage advertisers is by co-sponsoring events with organizations representing advertisers. Based on on-site observations, it remains a challenge to draw advertisers in substantial numbers to events primarily concerning the out-of-home advertising industry.

OAAA's original focus was billboards, for obvious reasons. Now, with new forms of out-of-home advertising—indeed, with the reframing of outdoor advertising to the broader out-of-home advertising—OAAA's membership is diversifying. All of the owners of billboard advertising space are members, as are increasingly the owners of bus shelters, taxi tops, and street furniture. Of note, however, is that none of the more than 6,000 U.S. public transit agencies is a member. Under the heading "Transit" on its membership pages, OAAA lists only names of advertising sales contractors for public transit agencies.

Cabletelevision Advertising Bureau

The Cabletelevision Advertising Bureau (CAB) is yet another industry group taking an active role in promoting the use of its medium to advertisers and agencies. CAB's member organizations include virtually all of the national and regional ad-supported cable networks, system operators and interconnects representing more than 90% of all U.S. cable subscribers, and suppliers to the cable advertising business (29).

According to the CAB website, "advertisers and agencies can expect not only unique trend line perspectives using the industry's syndicated media research data sources (Nielsen, etc.), but also can expect the CAB to take a leadership role in the underwriting of sophisticated original media/advertising research to answer the industry's toughest 'unanswered questions'" (29). CAB members have access to a multitude of insights, tools and services including the following:

- On-site media presentations
- Marketing and media research
- Major planning publications such as the annual Cable TV Facts and Cable Network Profiles
- Multi-cultural marketing and media updates
- Instant access to important planning data through the CAB website
- Marketing case studies
- Updates on ad-supported cable programming.

Like the OAAA, CAB also gives out awards annually in several categories, such as best creative ad. An interesting addition to this year's awards was several categories of sales achievement such as best application of research, best internal sales incentive, and best diversity advertising. Along with its awards dinner, the CAB also hosts an annual convention which allows everyone in the industry the opportunity to spend time together and share ideas and issues they may have encountered throughout the year.

Perhaps one of the more useful portions of the website is the link to FastTrax, which is CAB's source of all relevant data pertaining to cable. The website instructs members to "use these charts to drive cable sales and remain on top of industry information" (29). Here, members have access to data including audience growth and television advertising revenue trends, among many others.

The CAB website is a sophisticated and excellent reference for questions pertaining to cable television advertising. Members have access to a significant amount of data, research and case studies. Furthermore, CAB has a support staff that is readily available to provide members with information that may not be easily accessible on the website.

Marketing and Advertiser Trends

The job of the chief marketing officer (CMO) has changed dramatically over the past decade or so. A large part of marketing is identifying the most effective means for reaching a

target audience with the brand's motivating message. When television ruled the media kingdom, the media decisions were straight forward. For any brand that could afford it, there was no question that television was the single most efficient and effective way of reaching a mass audience.

Since cable started fragmenting television audiences, the CMO's media decision making has become exponentially more complex. When consumer behavior–altering electronics are added to the picture (i.e., laptop computers, cell phones, hand-held personal display devices), it is easy to see why media strategy experts are in high demand.

If this revolution were taking place in a time of great expansion, then money could be spent in trial of a new medium and there would be no consequences for errors. But, marketing budgets are contracting. It is well known in the marketing world that the average tenure for CMOs is less than two years. Pressure is on to decrease marketing spending, and many company cultures require that every dollar spent in marketing activities be held accountable for delivering sales.

This environment is where today's CMOs find themselves. They are being held more accountable than ever for producing business results with their marketing initiatives. This emphasis on immediate productivity of marketing spending certainly goes against the critical marketing objective of building brand equity. Nonetheless, it is reality.

As a consequence of this reality, new types of marketing are emerging that give marketers ways to increase the productivity of their marketing dollars. Two in particular are direct marketing and experiential marketing. Direct marketing includes all the ways to communicate with consumers by name (and to obtain those names). Such ways include email, hard mail, direct response television, reply cards in magazines and telemarketing. Experiential marketing is the concept of having consumers not only hear or see your advertising, but truly experience your brand's essence. This is done by creating an event or a venue in which consumers become *involved* with the brand. In theory, the deeper and more memorable the brand experience, the greater the chance that this consumer not only becomes a customer, but a loyal customer who is so enthusiastic that she recruits all her friends.

All this has implications for advertisers' media needs. In general, advertisers are now looking for media that meet the following criteria:

- Can deliver sales and prove it with precise measurement.
- Are effective and highly efficient, since budgets are tighter than they used to be.
- Can reach the precise audience they are targeting without including people outside the target audience, which would be a waste of media dollars.
- Can break through the noise and clutter of today's 24-hour non-stop advertising world.
- Offer an approach that "decreases the distance" between the advertiser and the consumer, such as direct marketing approaches can.
- Offer an approach that engenders loyalty among consumers, because so much money is required to win new customers.
- Can respond to advertisers' needs to act quickly, e.g., to get a new ad up.

CHAPTER 2

Research Approach

Media Planner Quantitative Research

Objective

The main research objectives were to understand media planners' current familiarity with, usage of, and attitudes and perceptions of transit advertising and to determine what could motivate them to increase their usage of transit advertising in the media plans they recommend to advertisers. More specifically, the research team wanted to come out of the research with enough information and insights to be able to position transit advertising relative to its competitors; recommend a marketing strategy relating to both advertisers and media planners; and develop an agenda of action items for transit agencies, their sales contractors and the industry association.

Approach

To inform research planning, the research team conducted telephone interviews with both media planners and advertising sales contractors. A key insight from these preliminary interviews was the extent to which media planners influence advertisers' media decisions. This insight led to the decision to prioritize research among media planners over research among advertisers. (The interview guide used for these preliminary interviews is attached as Appendix D.)

Sample Design

Knowledge of the media planning industry, along with the information gained from the preliminary interviews with media planners and advertising sales contractors, led to the following sample design:

- 75 generalist media planners
  - 38 with clients who are predominantly national advertisers

  - 37 with clients who are predominantly regional and local advertisers
- 75 out-of-home media specialists
  - 37 with clients who are predominantly national advertisers
  - 38 with clients who are predominantly regional and local advertisers

The assumptions were that *generalist media planners* would not be as familiar with transit media as *out-of-home media specialists* and that greater approval and greater usage can go along with greater familiarity; therefore, the samples in these two segments needed to be large enough to enable comparison of the responses. Similarly, the research team presumed that media planners working with clients who advertise *nationally* would have different perspectives on transit media than media planners working with clients who advertise *regionally and locally*.

Participation Criteria

To qualify as a respondent, individuals had to meet the following criteria:

- Be employed by an advertising agency or a media agency, not by an advertiser.
- Work in media planning, not buying or research. (Media buying and research are distinct areas of specialization. But most importantly for the purposes of this research, the media planners, not the buyers or researchers, are the ones deciding which media to recommend to advertisers.)
- Have the opportunity to work with out-of-home media in their current position. (Media planners with no opportunity to recommend out-of-home media of any type are of no concern to this study.)
- Be responsible for recommending out-of-home media to clients or to the people who make recommendations. (The research team wanted to make sure the survey captured the

responses of senior people who have real responsibility for the media recommendations that get presented to clients, not the junior media planners who are on the media planning team, but who do not make the actual decisions.)
- Be familiar enough with transit—whether they recommend it or not—to be able to answer questions about the medium.

Usage of transit media was not a criterion. The research team specifically wanted to include "non-recommenders" for their ability to express what makes transit media unappealing or not useful to them.

The research team used personal contacts and networking, bought a list of media planners and advertised on the Media Planner and Buyer website to identify candidates for the survey. Once the telephone screener confirmed that a candidate met the criteria for participation, the participant was emailed the URL for the on-line survey. Once candidates completed the on-line survey, which took about 30 minutes, they were sent an American Express gift card in the amount of $100.

Survey Design

The research team custom designed the survey to answer numerous questions that, analyzed together, would inform development of a robust strategy for transit advertising growth. The questions were grouped into 10 sections:

- **Section 1: Screening and Classification Questions.** These questions included the type of agency that respondents worked for, the size of their agency by annual billings, whether they worked primarily with local/regional advertisers or national advertisers, etc. These responses allowed the collected data to be "cut" and searched for meaningful differences between sub-segments.
- **Section 2: Out-of-Home and Transit Media Usage.** Frequency of use, the portion of the media plan typically devoted to out-of-home and transit media, and the typical level of spending on out-of-home and transit media were requested in this section. Also, level of familiarity with transit media, transit's competitive set, top-of-mind impressions of transit advertising's audience, and specific modes of transit advertising used were requested.
- **Section 3: Effectiveness of Transit Advertising.** This section asked media planners to select the media and marketing objectives that they believed transit media to be highly effective at achieving. This was crucial information: a fundamental obstacle to greater transit media usage could very well be its perceived inability to deliver on basic media and marketing objectives. Respondents were asked to do this exercise for trains separately from buses to explore whether media planners view these two types of transit advertising differently. The research team also split the sample and

asked each half of the respondents to go through the same exercise for one of the two other most popular forms of out-of-home advertising: billboards and place-based media. Respondents were then asked to select from among transit, billboards, place-based media, television and the Internet the one medium that was the most effective at achieving each of the given objectives.
- **Section 4: Media Planner Beliefs and Attitudes.** This section asked for the level of agreement with a series of statements about media planning in general and transit media in particular. For example, respondents were asked for the degree to which they agreed with the statement, "I'm comfortable recommending transit media to clients." The survey also asked about transit's competitive set: was transit most often competing for media dollars versus other out-of-home media or versus all other media? Also in this section, one of the few open-ended questions was asked: which consumers do media planners think of as the audience for transit advertising?
- **Section 5: Image of Transit Advertising.** Respondents were asked to rate the degree to which specific attributes describe transit advertising. The research team was looking for impressions of transit advertising's image (e.g., "downscale") that might be obstacles.
- **Section 6: Desirability of Features of Media.** In this section, respondents were asked to indicate how desirable it is for a medium to have a credible audience measurement system, to deliver exactly what was purchased, to have really knowledgeable sales representatives, etc. Although these features are not primary drivers of usage (the primary criterion is whether the medium can deliver the media or marketing objective), they matter to the media planner's level of comfort and confidence in recommending the medium to their clients.
- **Section 7: Rating of Transit's and Competitors' Abilities to Deliver Media Features.** Having just indicated which features of media are important, respondents were now asked how successfully transit delivers on those features. The research team was looking for what transit is perceived to do very well as a medium and whether its strongest features were of high or low importance to media planners. In addition, half of the respondents were asked to rate billboards and the other half to rate place-based media for comparison.
- **Section 8: Satisfaction with Sales Representatives.** In this section, respondents were asked about their sales representatives. Were their sales representatives dedicated to transit media or did they represent other media, as well? How did their sales representatives perform along specific criteria, and what were the respondents' overall satisfactions with their sales representatives? The research team wanted this information to help evaluate whether the representatives

who have responsibility for both transit and billboards give transit its fair share of attention and effort.

- **Section 9: New Media.** Innovation is a key driver of continued growth of any business. In this section, the research team was looking to get a sense of which new media ideas for transit might spark additional interest on the part of media planners.
- **Section 10: Final Suggestions.** In this final question, respondents were asked to write in their biggest ideas for increasing the attractiveness of transit media to themselves and their clients.

The survey instrument, as seen online, is attached as Appendix A of this report.

Analytic Plan

The analytic plan called for analysis comparing subsegments. The main comparisons were between generalist media planners and out-of-home specialists. Generalist media planners with clients who advertise nationally were also compared with generalist media planners with clients who advertise regionally or locally. Differences were considered significant at the 90% confidence level (i.e., there is a 10% or lower chance that the differences observed in the data happened by chance).

Secondary analyses included a comparison of transit enthusiasts (high level of usage) with those who rarely or never recommend transit. Also the responses of media planners who are served by transit-dedicated sales representatives were compared to those of media planners who are served by sales representatives who sell multiple media types. Several other "cuts" of the data are reported in the next chapter when the comparison revealed findings of significance.

Advertiser Interviews

The research team chose to emphasize research with media planners over research with advertisers because of media planners' strong influence over advertisers' decisions. (This influence was corroborated in the media planner research, as will be seen in Chapter 3.) However, as the ultimate decision makers, advertisers are critical voices in a study concerning the appeal of transit media.

The research plan with advertisers was to conduct 30-minute telephone interviews of marketing and/or media decision makers across a variety of industries, national as well as local/regional, but all in the consumer products sector. The advertisers, like the media planners, had to have been able to consider transit, but did not have to have used transit. The research team interviewed 14 advertisers in several different industries. Questions focused on perceptions of transit media's image and effectiveness, as well as barriers to greater usage of transit. The interview guide is attached as Appendix B.

Advertising Sales Contractor Interviews

Whereas media planners and advertisers are the buyers of transit media, advertising sales contractors are in many instances the sellers. For this study to be complete, it needed to include information from executives as well as senior sales personnel about how they pitch transit media to clients, what sells, what does not sell, and what obstacles and opportunities they perceived for greater transit advertising sales.

The plan was to interview a variety of advertising sales contractors, including those with many transit contracts as well as those with only a modest number of transit sales contracts. The interview guide is attached as Appendix C.

Transit Agency Survey

As the owners of transit advertising assets, transit agency marketing executives were the final important voice in this study; therefore, it was important to survey public transit agencies for their views on and experiences with growth. Transit agencies' points of view on which products have the ability to generate the most advertising revenue growth needed to be understood as well as the level at which transit agencies are engaging new technologies in the advertising space they offer. The survey sent to 300 public transit marketing executives is attached as Appendix E.

CHAPTER 3

Research Findings

Media Planner Quantitative Research

The following sub-sections report the findings of the media planner quantitative research, which took the form of a 10-section survey. Data are presented for the total sample and the three segments—the out-of-home specialists, the generalist media planners with national clients, and the generalist media planners with local or regional clients—among which there are significant differences. For ease of reference, the three discrete segments will be referred to as follows: out-of-home specialists, generalists with national clients, generalists with local/regional clients.

Section 1: Screening and Classification of Respondents

The specific criteria used to qualify respondents for participation and the questions asked for classification purposes are presented in Chapter 2. An overview of the findings of this section is as follows.

Headlines

- Out-of-home specialists are still a lot less prevalent than general media planners. Instead of out-of-home specialists making up half of the sample as planned, they represented only one-third.
- The majority of out-of-home specialists in the respondent base came from out-of-home media agencies. The majority of generalists with local/regional clients came from advertising agencies. The generalists with national clients came equally from advertising agencies and general media agencies.
- The annual billings of respondents' firms spanned from under $1 million in billings per year to over $500 million per year. For the entire sample, 62% were from firms with billings in the small to medium range of under $1 million

to $50 million. The outlying group here was media generalists with local/regional clients, in which 80% came from firms of this size.
- One-quarter of out-of-home specialists had transit media specialists within their firms.
- Fifty percent of respondents had been in media planning for between 6 and 20 years. The out-of-home specialists skewed a bit less experienced, and the generalists with local/regional clients skewed a bit more experienced.

Results of the Recruitment

The research team set out to recruit 150 respondents overall, with an almost equal number of respondents in each segment. However, the actual number of respondents recruited was 153:

- 42 media generalists with clients that advertise nationally
- 60 media generalists with clients that advertise locally and regionally
- 32 out-of-home media specialists with clients that advertise nationally
- 19 out-of-home media specialists with clients that advertise locally and regionally

Table 2 compares the intended recruitment numbers with the actual numbers.

Finding out-of-home specialists was much more difficult than expected. Apparently, firms specializing in out-of-home media are not quite as prevalent as the research team had thought, based on its preliminary qualitative interviews with media planners. Therefore, the sample was adjusted to be two-thirds generalists and one-third out-of-home specialists instead of half and half. (See the sub-section "Major Trends in the Media Industry" in the "Media Industry Overview" section of Chapter 1 for background on the reorganization of the media planning industry.)

Table 2. Results of the recruitment.

Clients	Planned			Actual		
	Media Generalists	Out-of-Home Specialists	TOTAL	Media Generalists	Out-of-Home Specialists	TOTAL
Advertise nationally	38	37	75	42	32	74
Advertise locally or regionally	37	38	75	60	19	79
TOTAL	75	75	150	102	51	153

Recruiting efforts also yielded a greater number of out-of-home specialists with national advertisers as clients than out-of-home specialists with clients that advertise locally or regionally. Because these specialty media houses are an emerging industry, it makes sense that the clientele is heavier on the national advertiser side at this point.

A few other metrics to confirm representativeness of the sample included gender of the respondent, geographic distribution, size of the respondent's firm and longevity of the respondent in the media planning profession. Thirty-six percent of respondents were male, while 64% were female. Twenty-five percent of respondents were based in the Northeast, 25% in the West, 26% in the Midwest and 24% in the South. Thirty-five percent were from firms with less than $10 million in annual billings, 35% were from firms with $11 to $100 million in annual billings, 20% from firms with $101 to $500 million in annual billings, and 10% from firms with more than $500 million in annual billings. Finally, 27% of respondents had been media planners for three to five years (the minimum requirement was three years), 40% had been planners for six to 15 years, and thirty-three percent had been planners for more than 16 years. The research team was satisfied with the representativeness of this sample.

Type of Firm Employing the Respondents

Respondents were asked the type of firm that employs them. The choices were a general media agency, an out-of-home media agency, or an advertising agency. Out-of-home media specialists came primarily from out-of-home media agencies (65%). Another 26% of them were found in advertising agencies. Generalists with national clients were split almost half and half from advertising agencies and general media agencies. Generalists with local/regional clients were found predominantly in advertising agencies (70%). The other 30% came from general media agencies. (See Table 3.)

Firm's Annual Billings

Respondents represented a good distribution of firms by size of annual billings. For the entire sample, 9% worked for firms with less than $1 million in annual billings, 28% worked for firms that billed between $1 million and $10 million, and 26% for firms that billed between $11 million and $50 million. These firms would be considered small to medium sized. Of the out-of-home specialists, 45% were from firms in this size range. For generalists with national clients, 55% were from firms in this range. For generalists with local/regional clients, 80% were from firms in this size range.

In the large size range of firms with $51 million to $500 million in annual billings, out-of-home specialists had 43% of their total, generalists with national clients had 29% of their total and generalists with local/regional clients had 13% of their total.

Finally, in the jumbo size range, defined for this study as firms with billings in excess of $500 million per year, out-of-home specialists had 12% of their total, generalists with national clients had 17% of their total and generalists with local/regional clients had 7% of their total. (See Table 3.)

Presence of Transit Media Specialists in-House

Among out-of-home specialists, more than one-quarter (28%) reported having a transit media specialist in-house. Among media generalists with national clients, almost one-fifth (19%) reported having a transit media specialist in-house. The lowest number, as expected, was found in firms employing the generalists with local/regional clients: only 5% reported having a transit media specialist in house. (See Table 3.)

Years in Media Planning

Respondents had to have been in media planning for at least three years to be admitted to the survey. More than 50% of all media planners in the survey had been in the business

Table 3. Profile of media planners.

Profile Questions	TOTAL SAMPLE (% of 153)	OOH Specialists (% of 51)	Media Generalists w/ National Clients (% of 42)	Media Generalists w/ Local/Regional (% of 60)
1. Type of Firm Respondents Work For				
General Media Agency	28.1	9.8	47.6B	30.0
OOH Media Agency	21.6	64.7	-	-
Advertising Agency	50.3	25.5	52.4	70.0B
2. Firm' s Annual Billings				
<$1m	8.5	2.0	9.5	13.3
$1m–$10m	27.5	21.6	21.4	36.7 B
$11m–$50m	25.5	21.6	23.8	30.0
$51m–$200m	16.4	19.6	21.4	10.0
$200m–$500m	11.1	23.5 A	7.1	3.3
$500m–$1B	5.9	5.9	7.1	5.0
>$1B	5.2	5.9	9.5	1.7
3. Presence of Transit Media Specialist in House				
Transit media specialist in house	16.3	27.5 A	19.0	5.0
4. Years in Media Planning				
3–5 yrs	26.6	31.4	38.1	15.0
6–20 yrs	52.4	58.8	38.1	56.7
>20 yrs	21.0	9.9	23.8	28.3
5. Familiarity with Transit Media				
Extremely familiar	24.8	52.9 A	11.9	10.0
Very familiar	41.8	29.4	40.5	53.3B
Moderately familiar	27.5	15.7	40.5	28.3
Slightly familiar	5.9	2.0	7.1	8.3
6. Frequency of Recommendations				
Always/Frequently recommend transit	49.7	70.5 A	45.3	35.0
Occasionally recommend transit	37.3	21.6	35.7	51.7B
Rarely/Never recommend transit	13.1	7.8	19.0	13.4
Always/Frequently recommend billboards	73.4	85.7	66.7	
Occasionally recommend billboards	21.5	14.3	25.5	
Rarely/Never recommend billboards	5.1	-	7.8	
7. Size of Typical Out-of-Home Budget				
<$50,000	14.4	7.8	9.5	23.3B
$50k–$99k	12.4	5.9	9.5	20.0B
$100k–$500k	37.9	25.5	50.0	40.0
>$500k	35.4	60.8	31.0	16.7
>$1m +	17.0	31.4 A	21.5B	6.7

A = Significantly higher than all media generalists @ 90% confidence level
B = Significantly higher than the other media generalists @ 90% confidence level

for six to 20 years. However, the aggregate experience levels among the three segments varied. The out-of-home specialists had the smallest percentage in the most experienced group (more than 20 years). Generalists with local/regional clients had the smallest percentage in the least experienced group (three to five years). The generalists with national clients had the most evenly dispersed group, with the highest percentage of the three segments in the least experienced group and the lowest percentage of the three segments in the six to 20 years group. (See Table 3.)

Section 2: Out-of-Home and Transit Media Budgets and Usage

The main information gathered in this section of the test related to familiarity with and usage of out-of-home media in general and transit specifically. To get a sense of the current prevalence of usage, the research team asked what portion of clients' media plans include out-of-home media and transit media, as well as what portion of media spending is allocated to out-of-home media and to transit media. Also the size, in dollars, of the typical out-of-home media budget with which respondents typically work was requested.

Headlines

- Familiarity with transit is greatest among out-of-home specialists, although a large proportion of generalist media planners also claim to be very familiar.
- Frequency of recommending transit is highest among out-of-home specialists, but is still less than the frequency with which they recommend billboards.
- There are fewer out-of-home specialists, but they recommend out-of-home media far more frequently than generalist media planners, and they tend to have larger out-of-home budgets with which to work.
- For two-thirds of generalist media planners, the typical percentage of a media budget allocated to out-of-home is between 5% and 20%.
- Fifty-three percent of out-of-home specialists recommend transit to more than 50% of their clients. Only 21% of generalist media planners do the same.
- The median percentage of an out-of-home budget that gets allocated to transit is 11% to 15% according to generalist media planners and 21% to 25% according to out-of-home specialists.
- Bus exteriors are the most popular form of transit advertising used by all three segments. Out-of-home specialists use bus wraps, bus stations and station dominations much more frequently than generalist media planners.
- The most frequently cited obstacles to recommending more transit media were budget limitations, lack of a good

transit option in the geography needed, and lack of fit with marketing and media objectives.

Familiarity with Transit Media

All respondents had to be at least minimally familiar with transit to be admitted to the study. As expected, out-of-home specialists reported the greatest familiarity with transit media: 82% self-reported as either "extremely familiar" or "very familiar" with transit media, with 53% checking the "extremely familiar" box. Only 52% of the generalists with national clients checked the "extremely familiar" or "very familiar" boxes, with only 12% claiming to be "extremely familiar." Among generalists with local/regional clients, 63% are "extremely familiar" or "very familiar" with transit—higher than the generalists with national clients, perhaps because of greater demand for transit among their clients. Similar to generalists with national clients, the "extremely familiar" group among generalists with local/regional clients is small: 10%.

With the lowest percentage of respondents who are "extremely" or "very" familiar with transit media, the generalists with predominantly national clients had a high percentage of respondents in the next box down: "moderately familiar." Together with data on their attitudes toward transit media, this finding has a positive implication: more transit advertising could possibly be recommended and sold by generalists with national clients simply by increasing the prevalence of planners who are very or extremely familiar with transit media. (See Table 3.)

Frequency of Recommending Transit Media and Billboards

The proxy for actual usage of transit media was the frequency with which respondents recommend transit advertising to their clients. Among all respondents, almost 50% reported that they "always" or "frequently" recommend transit to their clients. Only 13% said that they "rarely" or "never" recommend transit. Within the segments, the highest frequency was reported among the out-of-home specialists: more than 70% reported "always" or "frequently" recommending transit media. Among generalists with national clients, this percentage was 45%. Among generalists with local/regional clients, this percentage was 35%.

The comparable percentages for recommendation of billboards provide a sense of transit media's growth opportunity. Among the entire sample, 73% "always" or "frequently" recommend billboards vs. 50% who do so for transit media. Among the out-of-home specialists, 86% "always" or "frequently" recommend billboards vs. 71% who do so for transit media. Among all generalist media planners, 67% "always" or "frequently" recommend billboards vs. 39% who do so for transit media. (See Table 3.)

Frequency of Recommending Out-of-Home Media

Respondents were asked for the percentage of clients to whom they recommend out-of-home media. This question was asked to get a sense of the prevalence of out-of-home in media plans. As expected, this percentage was very high for out-of-home specialists: 73% of out-of-home specialists said that they recommend out-of-home media to 100% of clients. In contrast, only 8% of generalist media planners (both types combined) recommend out-of-home to 100% of clients. Only 43% of generalist media planners recommend out-of-home to more than 50% of their clients. (See Table 4.)

Out-of-Home's Percentage of Total Media Budget

Generalist media planners were asked for their best guess at a representative percentage of media dollars allocated to out-of-home media. The question was phrased this way in recognition that most media planners work on multiple clients' plans. Two-thirds of generalist media planners said that between 5% and 20% of a total media budget is typically allocated to out-of-home media. As expected, the range of percentages skews higher among the out-of-home specialists. (See Table 5.)

Size of Out-of-Home Budget

As expected, out-of-home specialists tend to work with larger out-of-home media budgets. Thirty-one percent of out-of-home specialists said that the out-of-home budget they typically deal with is more than $1 million. In contrast, 22% of generalists with national clients and 7% of generalists with local/regional clients said that their typical out-of-home budget is $1 million or more. The generalists with local/regional clients tend to have the smallest out-of-home budgets to work with: 43% said that their typical out-of-home budget is under $100,000. The comparable percentage for generalists with national clients was 19%, and for out-of-home specialists was 14%. (See Table 3.)

Frequency of Recommending Transit Media

Respondents were asked for the percentage of clients to whom they recommend transit media. As expected, this percentage was higher for out-of-home specialists than for generalist media planners. Fifty-three percent of out-of-home specialists said that they recommend transit media to more than 50% of clients. In contrast, only 21% of generalist media planners (both types combined, no statistical difference between the two) recommend transit media to more than 50% of clients. (See Table 6.)

Transit's Percentage of Out-of-Home Media Budget

Respondents were asked for their best guess at a representative percentage of out-of-home media dollars allocated to transit media. The question was phrased this way in recognition

Table 4. Frequency of recommending out-of-home media.

Clients	TOTAL SAMPLE (% of 153)	OOH Specialists (% of 51)	Media Generalists w/ National Clients (% of 42)	Media Generalists w/ Local/Regional (% of 60)
<5%	5.2	-	11.9	5.0
5-10%	6.5	2.0	4.8	11.7
11-20%	5.9	2.0	4.8	10.0
21-30%	6.5	-	9.5	10.0
31-40%	6.5	-	9.5	10.0
41-50%	9.2	2.0	14.3	11.7
51-60%	5.2	-	11.9	5.0
61-70%	5.9	2.0	4.8	10.0
71-80%	9.2	7.8	11.9	8.3
81-90%	5.9	2.0	4.8	10.0
91-99%	4.6	9.8A	4.8	-
100%	29.4	72.5A	7.1	8.3
>50%	*60.2*	*94.1*	*45.3*	*41.6*

A= Significantly higher than all media generalists @ 90% confidence level
B= Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Question 3 of the survey (available in Appendix A).

Table 5. Typical percentage of total media budget used on out-of-home media.

OOH Budget (% of Total)	TOTAL SAMPLE (% of 153)	OOH Specialists (% of 51)	Media Generalists w/ National Clients (% of 42)	Media Generalists w/ Local/Regional (% of 60)
<5%	8.5	5.9	7.1	11.7
5-10%	20.3	13.7	23.8	23.3
11-15%	19.6	15.7	19.0	23.3
16-20%	18.3	11.8	23.8	20.0
21-30%	11.8	9.8	14.3	11.7
31-40%	5.2	2.0	7.1	6.7
41-50%	1.3	2.0	-	1.7
51-60%	3.3	3.9	4.8	1.7
61-70%	-	-	-	-
71-80%	2.0	5.9	-	-
81-90%	.7	2.0	-	-
91-100%	9.2	27.5A	-	-

A= Significantly higher than all media generalists @ 90% confidence level
B= Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Question 5 of the survey (available in Appendix A).

Table 6. Frequency of recommending transit media.

Clients	TOTAL SAMPLE (% of 153)	OOH Specialists (% of 51)	Media Generalists w/ National Clients (% of 42)	Media Generalists w/ Local/Regional (% of 60)
0%	3.3	2.0	2.4	5.0
1-4%	9.8	3.9	21.4B	6.7
5-10%	9.2	7.8	2.4	15.0B
11-15%	7.2	2.0	4.8	13.3
16-20%	5.9	2.0	7.1	8.3
21-25%	9.2	7.8	11.9	8.3
26-30%	5.9	3.9	11.9	3.3
31-40%	7.2	3.9	9.5	8.3
41-50%	11.1	13.7	7.1	11.7
51-60%	4.6	7.8	2.4	3.3
61-70%	3.9	5.9	2.4	3.3
71-80%	9.8	17.6A	7.1	5.0
81-90%	6.5	13.7A	2.4	3.3
91-100%	6.5	7.8	7.1	5.0

A= Significantly higher than all media generalists @ 90% confidence level
B= Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Question 13 of the survey (available in Appendix A).

that most media planners work on multiple clients' plans. The majority of generalist media planners (60%) said that between 0% and 15% of an out-of-home media budget is typically spent on transit media. The majority of out-of-home specialists (61%) said that between 16% and 50% of an out-of-home media budget is typically spent on transit media. The median for out-of-home specialists was 21% to 25%. The median for generalist media planners was 11% to 15%. (See Table 7.)

Most Recommended Transit Media

Among 13 different transit advertising formats, bus exteriors are used by the highest percentage of respondents across all three segments. Eighty-eight percent of out-of-home specialists, 79% of generalists with national clients, and 83% of generalists with local/regional clients recommended bus exteriors in the past year. The similarities end here. Three transit formats are also highly used by out-of-home specialists, but are only moderately used by the generalists: bus wraps; bus benches, shelters and stations; and branded stations.

Bus wraps, out-of-home specialists' second most popular format, were recommended by 82% of out-of-home specialists, but only 55% of generalists with national clients and only 57% of generalists with local/regional clients. Bus benches, shelters and stations were recommended by 82% of out-of-home specialists, but only 60% of generalists with national clients and only 67% of generalists with local/regional clients.

Finally, branded stations (also known as "station dominations") were recommended by 71% of out-of-home specialists, but only 41% of generalists with national clients and only 15% of generalists with local/regional clients. For some of these, like bus wraps and branded stations, the smaller out-of-home budgets might be a factor in explaining lower usage among the generalist segments. (See Table 8.)

Obstacles to Recommending More Transit Media

Respondents were asked to state, in their own words, what was keeping them from recommending more transit media. The most often cited reasons were these:

- Budget restrictions
- Lack of "good transit" in the desired market(s)
- Lack of fit with the advertiser's brand objectives
- Not among the media the client prefers
- Too expensive in general/production costs too high

Section 3: Effectiveness of Transit Advertising

To understand the media selections of media planners, how they view transit media's best uses needs to be understood. The research team explored assumptions about applicability by presenting 14 common media and marketing

Table 7. Typical percentage of total out-of-home budget used for transit.

Transit Budget (% of OOH)	TOTAL SAMPLE (% of 153)	OOH Specialists (% of 51)	Media Generalists w/ National Clients (% of 42)	Media Generalists w/ Local/Regional (% of 60)
<5%	14.4	7.8	11.9	21.7
5-10%	19.6	13.7	26.2	20.0
11-15%	15.0	5.9	11.9	25.0B
16-20%	11.1	11.8	16.7	6.7
21-25%	8.5	13.7	4.8	6.7
26-30%	7.8	9.8	7.1	6.7
31-40%	7.2	9.8	9.5	3.3
41-50%	6.5	15.7A	2.4	1.7
51-60%	4.6	7.8	2.4	3.3
61-70%	-	-	-	-
71-80%	3.9	3.9	4.8	3.3
81-90%	0.7	-	-	1.7
91-100%	0.7	-	2.4	-

A = Significantly higher than all media generalists @ 90% confidence level
B = Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Question 14 of the survey (available in Appendix A).

Table 8. Transit media recommended in past year.

Transit Media Recommended in Past Year	TOTAL SAMPLE (% of 153)	OOH Specialists (% of 51)	Media Generalists w/ National Clients (% of 42)	Media Generalist w/ Local/Regional (% of 60)
Bus exteriors	83.7	88.2	78.6	83.3
Bus benches, stations, shelters	69.9	82.4 A	59.5	66.7
Bus wraps	64.7	82.4 A	54.8	56.7
Rail platforms and stations	44.4	54.9 A	40.5	38.3
Dioramas, clocks, other back-lit displays	43.1	60.8 A	40.5	30.0
Bus interiors	41.8	39.2	54.8 B	35.0
Branded stations	40.5	70.6 A	40.5 B	15.0
Digital displays	39.2	43.1	42.9	33.3
Rail interiors	36.6	52.9 A	31.0	26.7
Transit TV	19.0	13.7	31.0B	15.0
Rail exteriors	16.3	35.3 A	9.5	5.0
Railcar wraps	16.3	31.4 A	11.9	6.7
Tickets, passes, route maps	10.5	9.8	19.0B	5.0

A = Significantly higher than all media generalists @ 90% confidence level
B = Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Question 11 of the survey (available in Appendix A).

objectives (e.g., enhances brand image, extends reach and frequency), and asking respondents to select the objectives that transit media is *highly effective* at achieving. Instead of asking about transit media in general, the survey asked about the two most commonly used transit media—bus exteriors and subway trains, platforms and stations—separately from each other. This separation was to explore whether the different formats that are often, if not always, grouped together under the name "transit media" were not in fact discrete product lines serving different purposes. For comparison, the survey also asked the same applicability questions for billboards and place-based media.

After asking for *all* the media and marketing objectives that each media type could achieve, the survey asked which media was *the best* at achieving each objective. For this one-answer–only test, six options were offered: transit (as a group), billboards, electronic billboards, place-based media, television and the Internet. The last two media are of course not considered out-of-home media. The intent was to explore whether, and against which objectives, transit media could compete with these "major" media.

Headlines

- The marketing objective most frequently seen as being effectively achieved by both bus and subway is "build brand awareness."
- In the second tier of objectives achieved by bus and subway are "build/extend reach" and "build/extend frequency."

- Bus and subway forms of transit advertising are perceived to differ in terms of the breadth of audience each reaches: bus exteriors reach a mass audience best, and subway forms reach a captive audience best.
- Billboards are viewed very similarly in terms of media and marketing objectives achieved to both bus exteriors and subway, but especially subway.
- In the one-answer–only test, transit was awarded the most "best at" votes of any medium tested for "reach a captive audience." This was the only one of the 14 objectives for which transit received the most "best at" votes.
- Among out-of-home specialists, transit holds its own against billboards on the four media and marketing objectives for which transit receives its greatest number of "best at" scores: "build/extend frequency," "reach a captive audience," "build/extend reach," and "achieve market saturation."
- Among generalist media planners, transit outscored billboards on three of the four objectives for which transit received the most "best at" scores. Transit outscored billboards on "reach a captive audience," "break through clutter," and "create a buzz." Billboard outscored transit on "achieve market saturation."

Media and Marketing Objectives Most Effectively Met by Each Medium

Respondents were given a list of 14 media and marketing objectives, and asked to select any and all objectives that bus exteriors, subways and billboards are very effective at achieving.

Bus exteriors received the highest ratings (the highest percentage of media planners selecting this objective) for "reach a mass audience" (80%) and "build brand awareness" (78%). Overall, all three media planner segments agreed with these selections. In addition, an exceptionally high percentage of generalists with national clients (81%) selected "create a buzz." Bus exteriors received a low rating for "reach a captive audience" (34%). (See Table 9.)

Subways, platforms and stations received their highest ratings for achieving the objectives "reach a *captive* audience" (78%) and "build brand awareness" (77%), as shown in Table 10. Billboards also received their highest ratings for achieving these objectives: "reach a *captive* audience" (75%) and "build brand awareness" (82%). (See Table 11.)

The ratings for "reach a *mass* audience" were softer for both subways and billboards (64% and 65%, respectively) than the ratings for buses (80%). (See Tables 8, 9 and 10.)

After building brand awareness and reaching a captive/mass audience, the next highest scoring media objectives for bus exteriors, subways and billboards were "build/extend reach" and "build/extend frequency." "Create a buzz" was more highly selected for bus exteriors and subways than for billboards.

In general, the level of ratings (percentage of media planners selecting an objective) was higher for out-of-home specialists than for generalist media planners. Among generalist media planners, the ratings levels were higher for generalists with national clients than for generalists with local/regional clients.

Unique Capabilities of Transit Media versus Other Out-of-Home Media, Television and the Internet

Table 12 shows the results of a separate exercise in which respondents were asked to indicate, for the same 14 media and marketing objectives, which one medium did the *best* job at each objective. (In the previous exercise, respondents could select as many of the 14 objectives as they thought the medium was highly effective at achieving.) The media options given were transit (not separated into bus and rail), billboards, digital billboards, place-based media, television, and the Internet. Transit was awarded the most number one votes (43%) for only one objective: "reach a captive audience." It is interesting to note that this objective was highly selected in the previous exercise in reference to subways, but not to bus exteriors.

In addition, transit was recognized for its ability to "achieve market saturation," with 24% of media planners giving it their "best at" vote, albeit less than billboards' 33% and television's 38%. For "build/extend frequency," transit was second

Table 9. Percentage of media planners who consider media and marketing objectives to be very effectively met by bus exteriors.

Media/Marketing Objectives	TOTAL SAMPLE (% of 153)	OOH Specialists (% of 51)	Media Generalists w/ National Clients (% of 42)	Media Generalists w/ Local/Regional (% of 60)
Reach a captive audience	34	39.2	28.6	33.3
Achieve market saturation	48.4	58.8 A	42.9	43.3
Build/extend frequency	67.3	76.5 A	64.3	61.7
Build/extend reach	73.2	80.4	71.4	68.3
Break through clutter	25.5	29.4	35.7 B	15
Create a buzz	67.3	66.7	81.0 B	58.3
Be close to point of purchase	25.5	19.6	21.4	33.3 B
Reach a mass audience	79.7	88.2 A	81	71.7
Reach a specific demographic segment	40.5	52.9 A	38.1	31.7
Launch a new product or service	58.8	68.6 A	64.3 B	46.7
Build brand awareness	78.4	88.2 A	83.3 B	66.7
Communicate news	30.1	31.4	40.5 B	21.7
Trigger action by consumer	17	23.5	14.3	13.3
Enhance brand image	35.9	43.1	28.6	35

A = Significantly higher than all media generalists @ 90% confidence level
B = Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Question 17 of the survey (available in Appendix A).

Table 10. Percentage of media planners who consider media and marketing objectives to be very effectively met by subway trains, platforms and stations.

Media/Marketing Objectives	TOTAL SAMPLE (% of 153)	OOH Specialists (% of 51)	Media Generalists w/ National Clients (% of 42)	Media Generalists w/ Local/Regional (% of 60)
Reach a captive audience	77.8	86.3 A	71.4	75
Achieve market saturation	34	45.1 A	38.1 B	21.7
Build/extend frequency	64.7	68.6	59.5	65
Build/extend reach	65.4	76.5 A	61.9	58.3
Break through clutter	32.7	31.4	40.8	28.3
Create a buzz	65.4	72.5	64.3	60
Be close to point of purchase	26.8	23.5	23.8	31.7
Reach a mass audience	64.1	74.5 A	59.5	58.3
Reach a specific demographic segment	57.5	72.5 A	45.2	53.3
Launch a new product or service	54.2	32.7	47.6	51.7
Build brand awareness	77.1	80.4	83.3	70
Communicate news	42.5	52.9 A	47.6 B	30
Trigger action by consumer	21.6	31.4 A	19	15
Enhance brand image	47.1	58.8 A	42.9	40

A= Significantly higher than all media generalists @ 90% confidence level
B= Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Question 18 of the survey (available in Appendix A).

Table 11. Percentage of media planners who consider media and marketing objectives to be very effectively met by billboards.

Media/Marketing Objectives	TOTAL SAMPLE (% of 153)	OOH Specialists (% of 51)	Media Generalists (% of 102)
Reach a captive audience	74.7	82.1 A	70.6
Achieve market saturation	41.8	53.6	35.3
Build/extend frequency	64.6	67.9	62.7
Build/extend reach	67.1	78.6	60.8
Break through clutter	36.7	21.4	45.1
Create a buzz	62	53.6	66.7
Be close to point of purchase	24.1	21.4 A	25.5
Reach a mass audience	64.6	67.9	62.7
Reach a specific demographic segment	57	75.0 A	47.1
Launch a new product or service	57	67.9 A	51
Build brand awareness	82.3	82.1 A	82.4
Communicate news	41.8	46.4	39.2
Trigger action by consumer	19	25.0 A	15.7
Enhance brand image	50.6	50	51

A= Significantly higher than all media generalists @ 90% confidence level
B= Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Question 20 of the survey (available in Appendix A).

Table 12. Results of all respondents (153) voting for the medium considered best at achieving media/marketing objectives.

Media/Marketing Objectives	Transit	Billboard	Digital BB	Place-based	TV	Internet
Reach a captive audience	43%	6%	3%	28%	13%	7%
Achieve market saturation	24%	33%	2%	1%	38%	1%
Build / extend frequency	23%	40%	1%	3%	19%	14%
Build / extend reach	22%	33%	1%	1%	35%	7%
Break through clutter	18%	23%	24%	24%	8%	4%
Create a buzz	18%	16%	14%	7%	23%	22%
Be close to point of purchase	12%	36%	1%	35%	3%	14%
Reach a mass audience	11%	29%	3%	0%	52%	5%
Reach a specific demographic segment	10%	13%	2%	14%	24%	37%
Launch a new product or service	7%	18%	0%	2%	69%	5%
Build brand awareness	5%	29%	1%	1%	59%	5%
Communicate news	3%	5%	6%	1%	54%	32%
Trigger action by a consumer	1%	8%	1%	20%	31%	39%
Enhance a brand's image	0%	17%	4%	8%	67%	4%

No significance testing was performed across media types.
Data compiled from responses to Question 21 of the survey (available in Appendix A).

only to billboards (23% of best votes vs. 40%, respectively). For its ability to extend reach, transit received 22% of "best at" votes, behind billboards (33%) and television (35%).

Table 13 shows the variation in how the three media planner segments awarded "best at" scores. "Reach a captive audience" received a high percentage of "best at" scores across all three segments. But out-of-home specialists give transit more credit for building/extending reach and frequency than it appears the generalist media planners do. The generalists see transit as stronger at achieving market saturation and breaking through clutter.

An important question is: what happened to "build brand awareness" and "reach a mass audience" in the "best at" exercise? These were the strengths of transit coming out of the first exercise where media planners could select all media and marketing objectives *very effectively* achieved by transit. For "build brand awareness," transit received only 5% of the "best at" votes. For "reach a mass audience," transit received only 11% of the number one votes.

The explanation is that the questions asked were completely different from each other. The first question asked, "What are all the things that transit media is good at?" The second question asked, "Is there anything that transit is the *best* at?" While transit is highly effective at building brand awareness and reaching mass audiences, other media are better at these objec-

tives. It is only for reaching captive audiences that transit is seen to be the best media option among those tested.

Transit Media versus Billboards

Billboards were voted the best at building/extending frequency and building/extending reach. Billboards virtually tied with digital billboards and place-based media for breaking through clutter.

Among out-of-home specialists, transit media were better than, equal to, or just a bit behind billboards for each of the top four objectives that transit was rated best at achieving. For transit's top score, 41% of "best" votes for "build/extend frequency," billboards also scored 41% of "best" votes. For the ability to "reach a captive audience," transit got 39% of "best" votes (the second highest ranking for transit) and billboards received 12%. For the ability to "build/extend reach" (transit's third highest ranking), transit got 35% of "best" votes to billboards' 39%. For the ability to "achieve market saturation" (transit's fourth highest ranking), transit received 31% of "best" votes and billboards received 37%. (See Table 14.)

From the fifth rated objective that transit was voted best at achieving to the end of the list, transit falls significantly behind billboards in percentage of "best" votes. Notably, on "reach a mass audience," transit's fifth highest scoring objective, transit

Table 13. Results of respondents (by media planner segment) voting for the media/marketing objectives transit is best at achieving.

Media/Marketing Objectives	Total Sample (% of 153)	OOH Specialists (% of 51)	Media Generalists w/ National Clients (% of 42)	Media Generalists w/ Local/Regional (% of 60)
Reach a captive audience	43	39	52	40
Achieving market saturation	24	31	24	18
Build/ extend frequency	23	41 A	14	13
Build/ extend reach	22	35 A	19	13
Break through clutter	18	10	24	22
Create a buzz	18	18	26	13
Being close to point of purchase	12	12	14	10
Reach a mass audience	11	20 A	7	7
Reach a specific demographic segment	11	16	7	8
Launch a new product or service	7	10	7	3
Build brand awareness	5	10 A	2	2
Communicating news	3	6	0	2
Trigger action by consumer	1	2	0	2
Enhance a brand's image	0	0	0	0

A= Significantly higher than all media generalists @ 90% confidence level
B= Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Question 21 of the survey (available in Appendix A).

Table 14. Results of out-of-home specialists (51) voting for the medium considered best at achieving media/marketing objectives.

Media/Marketing Objectives	Transit	Billboard	Digital BB	Place-based	TV	Internet
Reach a captive audience	39%	12%	6%	29%	10%	4%
Achieving market saturation	31%	37%	2%	2%	26%	2%
Build/ extend frequency	41%	41%	2%	2%	8%	6%
Build/ extend reach	35%	39%	0%	0%	22%	4%
Break through clutter	10%	41%	18%	29%	2%	0%
Create a buzz	18%	26%	16%	10%	14%	18%
Being close to point of purchase	12%	33%	4%	41%	0%	10%
Reach a mass audience	20%	41%	6%	0%	26%	8%
Reach a specific demographic segment	16%	31%	2%	26%	12%	14%
Launch a new product or service	10%	37%	0%	2%	43%	8%
Build brand awareness	10%	53%	2%	4%	28%	4%
Communicating news	6%	4%	12%	2%	49%	28%
Trigger action by consumer	2%	14%	2%	37%	16%	29%
Enhance a brand's image	0%	37%	6%	12%	43%	2%

No significance testing was performed across media types.
Data compiled from responses to Question 21 of the survey (available in Appendix A).

received 20% of "best" votes compared with billboards' 41%. On "create a buzz," transit's sixth highest scoring objective, transit received 18% of "best" votes compared to billboards' 26%. On "build brand awareness," the tenth highest scoring objective, transit received 10% of "best" votes compared to billboards' 53%. The largest gaps in "best" scores, with transit trailing billboards, were for the objectives "reach a mass audience," "being close to point of purchase," "launch a new product," "build brand awareness," "break through clutter" and "enhance a brand's image." In all instances, transit was at least 20 percentage points behind billboards in "best" scores. (See Table 14.)

Turning now to generalist media planners, they scored transit better than billboards for three of transit's top four media objectives. For transit's top score, 45% of "best" votes for "reach a captive audience," billboards received only 3%. For transit's second highest objective, "break through clutter," transit got 23% of "best" votes and billboards received 14%. For transit's third highest objective, "achieve market saturation," transit received 21% of "best" votes and billboards received 31%. For transit's fourth highest objective, "create a buzz," transit received 19% of "best" votes and billboards received 11%. (See Table 15.)

As with the out-of-home specialists, transit scores for the remaining media and marketing objectives were mostly lower than billboards' scores. The largest gaps in "best" scores, with

transit trailing billboard, were for the objectives "build/ extend frequency" and "being close to point of purchase." In these two instances, transit was at least 20 percentage points behind billboards in "best" scores. (See Table 15.)

Section 4: Media Planner Beliefs and Attitudes

The research team hypothesized that beliefs and attitudes with respect to transit media might be obstacles to its greater usage among media planners. This section of the survey asked media planners to agree or disagree with a series of attitude statements that might influence their usage of transit media.

Headlines

- Roughly one-third of media planners equate transit advertising's audience with patrons of public transit; others recognize the external audiences of drivers and pedestrians, as well.
- Although buses come to mind most frequently as the definition of transit advertising space, media planners also include most other moving-vehicle advertising (e.g., taxicab tops) and most other street-level advertising (e.g., telephone kiosks).

Table 15. Results of media generalists (102) voting for the medium considered best at achieving media/marketing objectives.

Media/Marketing Objectives	Transit	Billboard	Digital BB	Place-based	TV	Internet
Reach a captive audience	45%	3%	2%	28%	15%	8%
Achieving market saturation	21%	31%	2%	1%	44%	1%
Build/ extend frequency	14%	39%	0%	4%	25%	19%
Build/ extend reach	16%	30%	2%	1%	42%	9%
Break through clutter	23%	14%	27%	21%	11%	6%
Create a buzz	19%	11%	14%	5%	28%	25%
Being close to point of purchase	12%	37%	0%	31%	4%	16%
Reach a mass audience	7%	23%	2%	0%	66%	3%
Reach a specific demographic segment	8%	4%	2%	9%	29%	48%
Launch a new product or service	5%	9%	0%	2%	81%	3%
Build brand awareness	2%	17%	1%	0%	76%	5%
Communicating news	1%	6%	3%	0%	56%	34%
Trigger action by consumer	1%	5%	1%	11%	38%	44%
Enhance a brand's image	0%	7%	3%	6%	79%	5%

No significance testing was performed across media types
Data compiled from responses to Question 21 of the survey (available in Appendix A).

- In general, the most positive attitudes and beliefs about transit media are held by out-of-home specialists, followed by generalists with national clients.
- Media planners *very strongly* agree that they are comfortable recommending transit media to clients.
- Overall, media planners' experiences with transit media are positive.
- There was a fair amount of agreement that transit is difficult to sell to clients: one-quarter of media generalists with national clients agreed that transit is difficult to sell, and one-third of media generalists with local/regional clients agreed.
- Media planners are split in their beliefs about clients' perceptions of transit media: a little less than half agree that clients' perceptions are positive, and a little less than half could neither agree nor disagree with this statement.
- The majority of media planners agreed that "transit needs to be pitched to clients; they rarely request it themselves," confirming that the leverage in growing transit media sales rests largely with media planners.
- The majority of media planners agreed that clients generally approve their media plans as recommended, confirming that media planners are, in most instances, the determiners of which media advertisers ultimately purchase.
- Out-of-home specialists and generalists with national clients are much more likely to consider transit in the context of building an out-of-home media plan. In contrast, generalists with local/regional clients are almost equally likely to consider transit against all other media as they are to consider transit in the context of out-of-home.

Conceptions of the Consumer Audience for Transit Advertising

Early in the survey, before any chance of influence by subsequent survey questions, respondents were asked who they considered to be the consumer audience for transit. Respondents wrote in their responses. Roughly one-third, among both generalist media planners and out-of-home specialists, described an audience that was essentially the *users* of public transit. Sample responses included the following: "Business consumers that utilize transit for transportation to and from work," "Riders," "Commuters, adults 18+ for general transit; more upscale for suburban commuters," "People who are savvy consumers and want the best value for their dollar," and "Working adults in urban areas and selected ethnic targets."

The other two-thirds of media planners think of the consumer audience for transit advertising as, as one respondent put it, "Everyone who leaves the house." More sample responses included the following: "Commuters driving by, pedestrians walking around, people using public transportation," "Extremely wide range . . . all ages," "Urban dwellers and commuters," "On-the-go individuals, business professionals," and "Broad audience; adults 18–54 primarily."

Definition of Transit Advertising

As a follow-up question, respondents were asked to state the first type of ad space that comes to mind when they think of transit advertising. The majority of responses included buses. Roughly 20% of responses included subway or rail. Roughly 20% of responses included bus shelters and benches. There was an occasional mention of taxicabs, billboards, truck-mounted billboards, transit TV, telephone kiosks and airport billboards.

When asked for other types of transit advertising space that comes to mind, respondents frequently mentioned bus wraps, subway, commuter rail, shelters and taxis. There were also many mentions of mobile trucks and vans, kiosks, urban panels (wallscapes), station domination, airport advertising, transit TV, and street furniture.

The finding here is that there is no clear boundary around what is called transit advertising. Because the research team hypothesized that this would be the case, the survey, after this point, provided a definition of transit advertising as follows: "For the remainder of the survey, please think of transit media as any form of advertising on the interior or exterior of public buses, subways, streetcars, trolleys and commuter rail, including stations and platforms."

Beliefs about the Use and Applicability of Transit Media

Media planners agreed (77%) with the statement, "Transit's best use is as a supplement to other media." Higher percentages of general media planners agreed than out-of-home specialists (71% of out-of-home specialists agree/strongly agree; 83% of generalists with national clients agree/strongly agree; 78% of generalists with local/regional clients agree/strongly agree). (See Table 16.)

Over half of media planners (54%) disagreed with the statement, "Transit is only appropriate for a small group of categories." A higher percentage of out-of-home specialists disagreed than general media planners (73% of out-of-home specialists disagree/strongly disagree; 45% of generalists with national clients agree/strongly agree; 45% of generalists with local/regional clients agree/strongly agree). (See Table 16.)

Media planners also disagreed (41%) with the statement, "Transit is an afterthought in most media plans." A higher percentage of out-of-home specialists disagreed than general media planners (53% of out-of-home specialists disagree/strongly disagree; 31% of generalists with national clients disagree/strongly disagree; 37% of generalists with local/regional clients disagree/strongly disagree). (See Table 16.)

Table 16. Media planners' beliefs regarding transit media.

Belief Statements	Opinion	TOTAL SAMPLE (153)	OOH Specialists (51)	Media Generalists w/ National Clients (42)	Media Generalists w/ Local/Regional (60)
Beliefs about the Use and Applicability of Transit Media					
"Transit's best use is a supplement to other media"	Agree/ Strongly Agree	77%	71%	83%	78%
	Neither Agree nor Disagree	15%	22%	10%	13%
	Disagree/ Strongly Disagree	8%	8%	7%	8%
"I've had a good experience with transit advertising"	Agree/ Strongly Agree	77%	82%	74%	75%
	Neither Agree nor Disagree	21%	16%	24%	23%
	Disagree/ Strongly Disagree	2%	2%	2%	2%
"Transit is only appropriate for a small group of categories"	Agree/ Strongly Agree	13%	4%	19%	17%
	Neither Agree nor Disagree	33%	24%	36%	38%
	Disagree/ Strongly Disagree	54%	73%A	45%	45%
"Transit is an afterthought in most media plans"	Agree/ Strongly Agree	26%	18%	36%	27%
	Neither Agree nor Disagree	33%	29%	33%	37%
	Disagree/ Strongly Disagree	41%	53%A	31%	37%
Beliefs about Recommending Transit Media					
"I'm comfortable recommending transit media to clients"	Agree/ Strongly Agree	92%	96%	93%	88%
	Neither Agree nor Disagree	5%	2%	5%	7%
	Disagree/ Strongly Disagree	3%	2%	2%	5%
"I recommend transit media more than I did in the past"	Agree/ Strongly Agree	52%	67%A	52%	40%
	Neither Agree nor Disagree	41%	31%	38%	50%
	Disagree/ Strongly Disagree	7%	2%	10%	10%
Beliefs about Clients and Transit Media					
"Transit needs to be pitched to clients; they rarely request it themselves"	Agree/ Strongly Agree	56%	45%	64%	58%
	Neither Agree nor Disagree	21%	26%	21%	17%
	Disagree/ Strongly Disagree	24%	29%	14%	25%
"It's difficult to sell transit media to clients"	Agree/ Strongly Agree	21%	20%	19%	23%
	Neither Agree nor Disagree	45%	39%	55%	43%
	Disagree/ Strongly Disagree	34%	41%	26%	33%
"Clients' perceptions of transit media are positive"	Agree/ Strongly Agree	46%	45%	50%	45%
	Neither Agree nor Disagree	44%	49%	43%	40%
	Disagree/ Strongly Disagree	10%	6%	7%	15%
"Clients generally approve our media plans as recommended"	Agree/ Strongly Agree	78%	84%	71%	77%
	Neither Agree nor Disagree	15%	12%	24%	12%
	Disagree/ Strongly Disagree	7%	4%	5%	12%

A = Significantly higher than all media generalists @ 90% confidence level
B = Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Question 23 of the survey (available in Appendix A).

Media planners agreed (77%) with the statement, "I've had a good experience with transit advertising." A higher percentage of out-of-home specialists agreed than general media planners (82% of out-of-home specialists agree/strongly agree; 74% of generalists with national clients agree/strongly agree; 75% of generalists with local/regional clients agree/strongly agree). (See Table 16.)

Beliefs about Recommending Transit Media

The strongest agreement with any of the belief statements was with, "I'm comfortable recommending media to clients." All three segments strongly agreed with this statement: 96% of out-of-home specialists agree/strongly agree; 93% of generalists with national clients agree/strongly agree; 88% of generalists with local/regional clients agree/strongly agree.

Differences among the three segments are seen in the *strongly* agree scores: 57% of out-of-home specialists strongly agree; 33% of generalists with national clients strongly agree; 27% of generalists with local/regional clients strongly agree. (See Table 16.)

More than half of media planners agreed (52%) with the statement, "I recommend more transit media than I did in the past." A higher percentage of out-of-home specialists agreed than general media planners (67% of out-of-home specialists agree/strongly agree; 52% of generalists with national clients agree/strongly agree; 40% of generalists with local/regional clients agree/strongly agree). (See Table 16.)

Beliefs about Clients and Transit Media

Higher percentages of media planners disagreed (34%) than agreed (21%) with the statement, "It is difficult to sell transit media to clients." The largest percentage (45%) was on the fence, and neither agreed nor disagreed. A higher percentage of out-of-home specialists disagreed than general media planners (41% of out-of-home specialists disagree/strongly disagree; 26% of generalists with national clients disagree/strongly disagree; 33% of generalists with local/regional clients disagree/strongly disagree). (See Table 16)

Higher percentages of media planners agreed (46%) than disagreed (10%) with the statement, "Clients' perceptions of transit media are positive." However, again a large percentage (44%) was on the fence, and neither agreed nor disagreed. The three segments of media planners all agreed to roughly the same extent (45% of out-of-home specialists agree/strongly agree; 50% of generalists with national clients agree/strongly agree; 45% of generalists with local/regional clients agree/strongly agree). (See Table 16.)

More than half of media planners agreed (56%) with the statement, "Transit needs to be pitched to clients; they rarely request it themselves." A higher percentage of general media planners agreed than out-of-home specialists (45% of out-of-home specialists agree/strongly agree; 64% of generalists with national clients agree/strongly agree; 58% of generalists with local/regional clients agree/strongly agree). This confirms that the advent of media firms specializing in out-of-home media is a positive for transit advertising. (See Table 16.)

In light of the extremely high level of comfort media planners have with recommending transit to clients, it is striking that such a large percentage of media planners are on the fence about the ease of selling transit and the positive nature of clients' perceptions of transit. The interpretation of the research team is that media planners are expressing confidence in their ability to sell transit despite transit being a difficult medium to sell.

Finally, media planners agreed (78%) with the statement, "Clients generally approve our media plans as recommended." A higher percentage of out-of-home specialists agreed than general media planners (84% of out-of-home specialists agree/strongly agree; 71% of generalists with national clients agree/strongly agree; 77% of generalists with local/regional clients agree/strongly agree). (See Table 16.)

These last two response sets help to confirm the hypothesis that media planners have a great deal of influence over advertisers' decision making. However, it is clearly not absolute influence.

Transit's Competitive Set

The issue of competitive set is very important in positioning strategy. The survey asked media planners which statement they agreed with the most of the following choices:

- "Transit is included in the set of general media I consider along with TV, radio, print, billboard, Internet and all the rest of my media options."
- "Transit is included in the set of out-of-home media I consider once it has been decided that there will be an out-of-home component to the media plan."
- "Transit is not in the consideration set because it is usually an afterthought."

The top two behaviors were reported in all three media planner segments. Among out-of-home specialists, two-thirds (65%) consider transit against other out-of-home media and one-third (31%) consider transit against all other media. Among generalists with national clients, 74% consider transit against other out-of-home media and 24% consider transit against all other media. (See Table 17.)

The outlier is the third group, media generalists with local/regional clients. Almost half of these media planners (48%) consider transit against all other media. This makes sense, given that the out-of-home budgets these planners

Table 17. Transit's competitive set.

Possible Competitive Sets for Transit	TOTAL SAMPLE (% of 153)	OOH Specialists (% of 51)	Media Generalists w/ National Clients (% of 42)	Media Generalists w/ Local/Regional (% of 60)
"Transit is included in the set of general media I consider along with TV, radio, print, billboard, internet, and all the rest of my media options"	36	31	24	48 B
"Transit is included in the set of out-of-home media I consider once it's been decided that there will be an out-of-home component of the media plan"	58	65	74	42
"Transit is not in the consideration set because it's usually an afterthought"	6	4	2	10 B

A = Significantly higher than all media generalists @ 90% confidence level
B = Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Question 15 of the survey (available in Appendix A).

have to work with tend to be smaller. With fewer dollars to work with, out-of-home is less likely to be regarded as a discrete plan. Another 42% of these media planners do consider transit against other out-of-home media, while the final 10% disregard transit during media planning altogether. (See Table 17.)

Section 5: Image of Transit Advertising

This section of the survey presented 11 image descriptors and asked respondents to rate how well each described transit media. The image descriptors were chosen based on important attributes of all media (e.g., "efficient") as well as

attributes of particular concern to transit (e.g., "downscale"). For the full list of image descriptors and the response data, please refer to Table 18.

Headlines

- Out-of-home specialists are very comfortable with transit advertising's effectiveness.
- Generalist media planners are significantly more skeptical of transit advertising's effectiveness.
- Transit is not widely viewed as efficient, innovative or clean.
- Transit is perceived as being somewhat expensive, especially by the generalists with local/regional clients.

Table 18. Percentage of media planners who indicated the following image descriptors describe transit media "extremely well" or "very well."

Image Descriptors	TOTAL SAMPLE (% of 153)	OOH Specialists (% of 51)	Media Generalists w/ National Clients (% of 42)	Media Generalists w/ Local/Regional (% of 60)
Effective	57.5	82.4 A	54.8 B	38.3
Reliable	50.3	54.9	54.8	43.3
Efficient	37.9	45.1	42.9 B	28.3
Expensive	24.2	15.7	21.4	33.3 B
Intrusive	25.5	23.5	31.0	23.3
Hip	20.3	17.6	35.7 B	11.7
Clean	7.8	7.8	4.8	10.0
Sexy	9.2	2.0	21.4 B	6.7
Innovative	25.5	23.5	31.0	23.3
Complicated	5.2	3.9	7.1	5.0
Downscale	11.1	5.9	14.3	13.3

A = Significantly higher than all media generalists @ 90% confidence level
B = Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Question 24 of the survey (available in Appendix A).

- Transit is *not* widely viewed as downscale.
- The overall level of image ratings for transit is fairly low, especially among the generalists with local/regional clients.

Perceptions of Transit's Image by Out-of-Home Specialists

For out-of-home specialists, the adjective that was most descriptive of transit advertising was "effective." Being effective is a minimum requirement of media, so a high score is critical. Eighty-two percent of out-of-home specialists said that "effective" describes transit either "very well" or "extremely well." Such was not the case for the descriptor "efficient." Efficiency is, of course, also a key measure of any medium. Although still voted one of the top three descriptors of transit media, only 45% of out-of-home specialists said that "efficient" describes transit "very" or "extremely well." Most likely, transit suffers on this aspect of its image because the medium lacks a measurement system. This issue will come through loudly in the discussion of the desirability of transit media features survey in Section 6.

As shown in Table 19, the adjectives "innovative," "hip" and "sexy" were not considered strongly descriptive of transit media (24%, 18% and 2%, respectively, said "very" or "extremely well). This is an issue because media planners succeed at their jobs to the extent that they can present fresh and exciting ideas for media campaigns to advertisers. Media that do not generate any interest or excitement can be easily overlooked at plan development time.

A strong negative rating among out-of-home specialists was "clean." Two-thirds of this group said that "clean" describes transit either "slightly" or "not at all." Lack of cleanliness is probably more of an issue for transit advertising than for any other medium, because the ads themselves are at ground level and fully exposed to vandals, the elements, and the dirt, grime and grease that may accumulate from roads or track. The extent to which the environs in and on which ads are placed affects perceptions of transit advertising cleanliness was beyond the scope of this study. However, the qualitative interviews with media planners suggested that the cleanliness concern arises predominantly from the cleanliness of the ads themselves and not from the ad frames or the ad venues. (See Table 19.)

Perceptions of Transit's Image by Generalists with National Clients

Table 18 shows that generalists with national clients rate transit media significantly lower than out-of-home specialists on "effective" (55% for generalists with national clients versus 82% for out-of-home specialists). This is the single largest discrepancy in viewpoints between the media planner segments. This finding is very interesting because this segment of media planners appears in many of its responses to be enthusiastic supporters of transit media. However, if close to half of generalists with national clients cannot affirm that transit advertising is effective, then they certainly will not put themselves in the position of defending its presence in their media plans to advertisers.

Generalists with national clients agreed with out-of-home specialists on the adjectives least associated with transit: "complicated," "downscale" and "clean." There were hypotheses that transit advertising is perceived as downscale media for

Table 19. Transit image ratings among out of-home specialists (51).

Image Descriptors	"Describes extremely well"	"Describes extremely well" + "Describes very well"	"Describes Somewhat"	"Describes slightly" + "Does not describe at all"	"Does not describe at all"
Effective	11.8%	82.4% A	13.7%	3.9%	-
Reliable	2.0%	54.9%	35.3%	9.8%	2.0%
Efficient	13.7%	45.1%	41.2%	13.7%	7.8%
Expensive	-	15.7%	35.3%	49.0% A	17.6%
Intrusive	2.0%	23.5%	17.6%	31.4%	33.3%
Hip	2.0%	17.6%	37.3% A	45.1%	13.7%
Clean	-	7.8%	25.5%	66.7%	21.6%
Sexy	-	2.0%	27.5%	70.6%	37.3%
Innovative	2.0%	23.5%	45.1%	31.4%	7.8%
Complicated	-	3.9%	17.6%	78.4%	58.8%
Downscale	-	5.9%	31.4%	62.7%	31.4%

A = Significantly higher than all media generalists @ 90% confidence level
Data compiled from responses to Question 24 of the survey (available in Appendix A).

downscale audiences and that, due to their local nature and diverse offerings, transit media were complicated to learn. Both might have been deterrents to increased use of transit media, so it is a positive finding that neither "downscale" nor "complicated" is highly associated with transit. (See Table 20.) On the other hand, not being perceived as clean has a higher probability of being a deterrent. For advertisers, brands are highly cultivated and valued assets, and most take great care to control the environment in which they are displayed.

Interestingly, generalists with national clients rated transit higher than the other two segments rated it on being hip, sexy, innovative and intrusive. (See Table 18.)

Perceptions of Transit's Image by Generalists with Local/Regional Clients

Transit media's image ratings by generalists with local/regional clients were the least positive of the three segments. This segment's rating of transit advertising's effectiveness was the lowest of the three segments (38% versus 55% for generalists with national clients versus 82% for out-of-home specialists). This segment's scoring of transit media on "reliable" and "efficient" was also significantly below the comparable scoring by the other two segments. (See Table 18.)

Within this segment, a new attribute rose to the top scoring tier: "expensive." In contrast to the other two segments where the responses tended toward "expensive" describing transit media "somewhat," "slightly" or "not at all," the responses of generalists with local/regional clients tended toward "somewhat," "very well" and "extremely well."

As for the image descriptors "hip," "sexy," "innovative" and "intrusive," this segment of media planners agreed with the other two: "slightly" or "not at all." (See Table 21.)

Section 6: Desirability of Features of Media

This section of the survey presented 17 features of media—all media—and asked respondents to rate each in terms of desirability to them when they are making their media planning selections. A prominent theme in pre-research interviews with media planners was the hindrance to transit media usage of not having a credible audience measurement system. The feature of having a credible audience measurement system, therefore, was one that needed to be quantified in terms of desirability to media planners. Most of the other features were selected for the same reason: each was presented as either a hindrance or a potential uniqueness. This part of the survey was constructed for respondents to indicate the value they put on each.

Headlines

- The most important features of any medium are:
  – It delivers exactly what was bought.
  – It is a good value for the money.

Table 20. Transit image ratings among media generalists with national clients (42).

Image Descriptors	"Describes completely"	"Describes completely" + "Describes very well"	"Describes Somewhat"	"Describes slightly" + "Does not describe at all"	"Does not describe at all"
Effective	7%	55% B	43%	2%	-
Reliable	7%	55%	31%	14%	-
Efficient	10%	43%	43%	14%	-
Expensive	12%	21%	45%	33%	9%
Intrusive	2%	31%	29%	19%	21%
Hip	2%	36% B	24%	41%	12%
Clean	-	5%	455	50%	12%
Sexy	-	21% B	335 B	45%	24%
Innovative	5%	31%	50% B	19%	7%
Complicated	-	7%	17%	76%	41%
Downscale	-	14%	33%	52%	19%

B = Significantly higher than media generalists with local/regional clients @ 90% confidence level
Data compiled from responses to Question 24 of the survey (available in Appendix A).

Table 21. Transit image ratings among generalists with local/regional clients (60).

Image Descriptors	"Describes extremely well"	"Describes extremely well" + "Describes very well"	"Describes Somewhat"	"Describes slightly" + "Does not describe at all"	"Does not describe at all"
Effective	10.0%	38.3%	46.7%	15.0% B	1.7%
Reliable	6.7%	43.3%	33.3%	23.3%	8.3%
Efficient	3.3%	28.3%	40.0%	31.7% B	8.3%
Expensive	8.3%	33.3%	38.3%	28.3%	10.0%
Intrusive	-	23.3%	25.0%	45.0% B	26.7%
Hip	1.7%	11.7%	20.0%	68.3% B	41.7% B
Clean	-	10.0%	33.3%	56.7%	26.7% B
Sexy	1.7%	6.7%	16.7%	76.7% B	45.0% B
Innovative	5.0%	23.3%	31.7%	45.0% B	16.7%
Complicated	-	5.0%	21.7%	73.3%	58.3% B
Downscale	1.7%	13.3%	38.3%	48.3%	23.3%

B = Significantly higher than media generalists w/ national clients @ 90% confidence level
Data compiled from responses to Question 24 of the survey (available in Appendix A).

– It can target specific areas or demographic groups.
– It has a credible audience measurement system.
– It has comprehensive demographic data.
• The three media planner segments largely agreed on the relative desirability of the features.

Desirability of Media Features

The 17 features listed in the survey, and the percentage of respondents that said the feature was "very desirable" or "extremely desirable," are listed in Table 22.

The top five features, i.e., those rated "extremely desirable" or "very desirable" by more than 85% of respondents, should be considered "must haves" for any medium trying to capture the attention of media planners. These top-rated features consist of delivering exactly what was bought, being a good value for the money, having the ability to target audiences or geographies, having a credible audience measurement system, and offering comprehensive demographic data.

The next six features, because their ratings are 75% or more, should be considered "really should haves." These features consist of providing flexibility with flighting, having knowledgeable sales representatives, delivering metrics for return-on-investment calculations, offering innovative products, facilitating multi-city media buys, and having reasonable production costs.

The next three features, with ratings exceeding 65%, should be considered "should haves." These features consist of having the ability to get the creative team excited, being simple to execute a campaign in, and being easy to learn and stay on top of.

Finally, of the 17 features presented, these three were the least desirable (note that this is *not* the same as not desirable):

being immune from technology that permits consumers to skip viewing an ad, offering 24-hour exposure, and having standardized ad sizes. These features are "nice to haves."

Notable Differences Among the Segments

A significantly higher percentage of generalist media planners stated that having comprehensive demographic data is extremely desirable versus out-of-home specialists (77% of out-of-home specialists rated it "very desirable" or "extremely desirable" versus 91% of generalists with national clients and 90% of generalists with local/regional clients). Also, a significantly higher percentage of generalist media planners (both segments) than out-of-home specialists stated that delivering metrics for ROI evaluations is extremely desirable (59% of out-of-home specialists rated it "very desirable" or "extremely desirable" versus 91% of generalists with national clients and 85% of generalists with local/regional clients). (See Table 22.)

These findings most likely reflect that generalist media planners are used to working with television, radio and print, all of which have been delivering data—both demographic and proof-of-performance data—for many years. The out-of-home specialists, on the other hand, are more accustomed to working with media that, at least until now, have been unable to provide good quantitative data.

Section 7: Rating of Transit's and Competitors' Abilities to Deliver Media Features

The previous section of the survey asked the respondents to rate the desirability of the 17 media features. In this section, they were asked to rate how well each feature *describes* transit

Table 22. Percentage of media planners who indicated the following media attributes are "extremely desirable" or "very desirable."

Attributes/Benefits Tested	TOTAL SAMPLE (% of 153)	OOH Specialists (% of 51)	Media Generalists w/ National Clients (% of 42)	Media Generalists w/ Local/Regional (% of 60)
Delivers exactly what was bought	95	90	95	98
Is a good value for the money	92	88	95	93
Can target specific areas or demographic groups	89	84	91	92
Has a credible audience measurement system	88	80	91	93
Has comprehensive demographic data	86	77	91	90
Is flexible on flighting	84	82	82	87
Has knowledgeable sales representatives	84	84	86	82
Can deliver metrics for ROI evaluations	78	59	91	85
Offers innovative products	77	73	83	77
Is easy to execute a multi-city buy in	76	71	88B	72
Has reasonable production costs	75	67	81	78
Has the ability to get my creative team excited	73	75	76	68
Is simple to coordinate and execute a campaign in	71	75	79B	63
Is easy to learn and stay on top of	71	71	64	75
Cannot be "TiVo'd"	54	67A	41	53B
Offers 24-hour exposure	53	59	55	47
Has standardized ad sizes	50	53	55	43

A = Significantly higher than all media generalists @ 90% confidence level
B = Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Questions 25 and 26 of the survey (available in Appendix A).

media. Half of the sample was also asked how well each feature describes billboards. The other half of the sample was also asked how well each feature described place-based media.

Headlines

- Overall, transit media's ratings are very low. That is to say, the majority of media planners do not think that transit media delivers very well on most of the features given.
- Transit advertising's strongest features are mostly found within the least desirable/"nice to have" tier of media features.
- The differences found between out-of-home specialists and generalist media planners are of minor significance.

- Out-of-home specialists gave billboards higher ratings than they gave transit media.
- The place-based media ratings were as low overall as transit media's ratings.

Transit Media's Ratings

Table 23 shows the ratings for transit media on all the features listed in the survey.

Ratings for transit media are weak overall. Typically in an exercise like this one, solid-performing entities score in the 70 and 80 percentile on many features, and even in the 90 percentile on the features ranked as most important or desirable. Fewer than 50% of media planners rated the most desirable

Table 23. Percentage of media planners who indicated the following media attributes are "extremely desirable" or "very desirable" and describe transit "completely" or "very well."

Attributes/Benefits Tested	DESIRABLE Q 25 & 26				Describes TRANSIT Q 27 & 28			
	TOTAL SAMPLE (% of 153)	OOH Specialists (% of 51)	Media Generalists w/ National Clients (% of 42)	Media Generalists w/ Local/ Regional (% of 60)	TOTAL SAMPLE (% of 153)	OOH Specialists (% of 51)	Media Generalists w/ National Clients (% of 42)	Media Generalists w/ Local/ Regional (% of 60)
Delivers exactly what was bought	95	90	95	98	47	45	55	43
Is a good value for the money	92	88	95	93	37	37	45B	32
Can target specific areas or demographic groups	89	84	91	92	45	51	48	38
Has a credible audience measurement system	88	80	91	93	14	12	17	13
Has comprehensive demographic data	86	77	91	90	20	26	21	13
Is flexible on flighting	84	82	83	87	40	35	43	42
Has knowledgeable sales representatives	84	84	86	82	54	53	64B	48
Can deliver metrics for ROI evaluations	78	59	91	85	16	8	26B	15
Offers innovative products	77	73	83	77	33	29	43B	28
Is easy to execute a multi-city buy in	76	71	88B	72	41	41	52B	33
Has reasonable production costs	75	67	81	78	20	22	24	17
Has the ability to get my creative team excited	73	75	76	68	33	31	36	32
Is simple to coordinate and execute a campaign in	71	75	79B	63	45	47	50	40
Is easy to learn and stay on top of	71	71	64	75	61	65	60	58
Cannot be "TiVo'd"	54	67 A	41	53B	86	90	88	82
Offers 24-hour exposure	53	59	55	47	58	49	71B	57
Has standardized ad sizes	50	53	55	43	39	35	45	37

A = Significantly higher than all media generalists @ 90% confidence level
B = Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Questions 25 through 28 of the survey (available in Appendix A).

features as describing transit media "completely" or "very well," which indicates that this entity, transit media, cannot be performing with a great deal of strength. Transit media's ratings are especially weak on features relating to data: "has a credible audience measurement system," "has comprehensive demographic data" and "can deliver metrics for ROI evaluations" are all rated extremely low. (See Table 23.)

The features related to the cost of transit media are also rated low. Only 37% of media planners said "a good value for the money" describes transit "completely" or "very well." A sizable portion of respondents said that "a good value for the money" describes transit "somewhat." On "has reasonable production costs," only 21% of respondents thought it describes transit media "completely" or "very well." Again, a large group (44%) said "somewhat."

Aside from issues with data and perceived value, transit media are not widely believed to deliver exactly what was bought—media planners' most desirable feature. Nor are transit media widely believed to target very well or be flexible on flighting.

Table 24 arrays the features in a matrix that facilitates focusing on transit media's performance on the *most important* (according to the target audience) features. The most important features are in the top row. Within the top row, the features are then sorted by those on which transit media perform very well (the left-most column) and those on which transit media's performance is weakest (the right-most column). Table 24 makes clear that there are no features considered of top importance to media planners on which transit is perceived to perform well.

A common practice is to promote a product (in this case, a set of media) using the features that cluster in the top left-hand boxes. These features are the most compelling to the target audience and are done very well—perhaps better than competitors—by the product. The top right-hand boxes are the issues to be addressed—and addressed fast—before they undermine the positive messages about the product. One of the starkest findings of this study is that transit would be commencing any communications with its target audience from a deficit position. There is a vacuum where the positives should be, and it needs to be filled immediately.

Table 24. Transit ratings matrix.

Attributes	% of respondents who said the attribute "Describes **transit media** completely or very well"			
	>75%	50%-74%	25%-49%	<25%
CRITICAL / MUST HAVE			Delivers exactly (47) Good value for $ (37) Can target (45)	Aud. measurement (14) Comp. demo data (20)
REALLY SHOULD HAVE & SHOULD HAVE		Know. sales reps (54) Easy to learn (61)	Flexible flighting (40) Innovative prods (33) Multi-city buy (41) Simple to execute (45) Creative team (33)	ROI metrics (16) Reas. prod. costs (20)
NICE TO HAVE	Can't be TiVo'd (86)	24-hr exposure (58)	Standardized ad sizes (39)	

Percentages are of all respondents (153).

Transit vs. Billboards and Place-Based Media

Table 25 compares media planners' ratings for how well the media features describe transit, billboard and place-based media. Billboard was rated higher than transit and place-based media on several of the most highly desirable features. Table 26 is the billboard matrix that is comparable to the transit matrix in Table 24. The top left box of the billboard matrix is empty of features, as well. However, billboards are clearly perceived to perform better than transit on the most important features: instead of having features appear no earlier than the 25%–49% column, as the transit matrix does, the billboard matrix has two features in the 50%–74% column. So billboard is perceived to perform pretty well on "delivers exactly what was bought"— the number one most important feature—and "can target specific areas or demographic groups"—also among the top five.

Section 8: Satisfaction with Sales Representatives

To a significant degree, whether media planners select transit media for their plans can be influenced by their interactions with their transit media sales representatives. All of the planners in the study work with sales representatives for transit media. Some of the planners have representatives who sell them transit media only. Others have representatives who sell multiple media. It was important to explore media planners' overall satisfaction with sales representatives and whether

satisfaction was affected by whether the representative was dedicated to transit or not.

Headlines

- 52% of media planners have sales representatives who sell them transit as well as other media.
- Of these, only half said that the transit selling tools are as good as selling tools for the other media sold by the same representative.
- Also of these, less than half agree that the representative spends as much time with them on transit as on the other media being sold.
- The respondents with transit-dedicated sales representatives (48%) are more satisfied overall than their counterparts.
- Among these media planners, more than one-third of the generalists rated transit representatives below average for delivering useful demographic data and effective selling tools and materials.

Media Planners with Multi-Media Sales Representatives

Respondents with sales representatives who sell multiple types of media, including transit, rate their representatives as knowledgeable about transit, with 73% agreeing or strongly agreeing. However, a much lower percentage of media planners (51%) agree that the selling tools they get for transit are

Table 25. Percentage of respondents who indicated that the following media attributes are "extremely desirable" or "very desirable" and describe transit, billboard and place-based media "completely" or "very well."

Attributes/Benefits Tested	Desirable	Describes		
	TOTAL SAMPLE (% of 153)	Transit (% of 153)	Billboards (% of 79)	Place-based (% of 74)
Delivers exactly what was bought	95	47	59	15
Is a good value for the money	92	37	41	18
Can target specific areas or demographic groups	89	45	59	23
Has a credible audience measurement system	88	14	21	56
Has comprehensive demographic data	86	20	22	44
Is flexible on flighting	84	40	38	30
Has knowledgeable sales representatives	84	54	64	15
Can deliver metrics for ROI evaluations	78	16	7	59
Offers innovative products	77	33	26	32
Is easy to execute a multi-city buy in	76	41	56	27
Has reasonable production costs	75	20	28	35
Has the ability to get my creative team excited	73	33	35	34
Is simple to coordinate and execute a campaign in	71	45	62	17
Is easy to learn and stay on top of	71	61	77	8
Cannot be "TiVo'd"	54	86	80	5
Offers 24-hour exposure	53	58	77	23
Has standardized ad sizes	50	39	73	20

Significance testing was not performed across media types.
Data compiled from responses to Questions 25 through 30 of the survey (available in Appendix A).

as useful as the ones they get for other media (23% disagree). Also, only 42% agree that the sales representative spends as much time on transit as on other media they are selling (29% disagree). (See Table 27.)

Media Planners with Transit-Only Sales Representatives

Transit-dedicated sales representatives received somewhat mixed scores from their media planners, as well. The highest score was for the percentage of media planners agreeing with the statement, "Relative to other media sales reps, my transit rep is reliable for following up after the pitch." Eighty-two percent of these media planners rated their sales representatives at or above average on follow-up. Another positive is that the majority of media planners (85%) scored their sales representatives at or above average on "takes time to understand my needs and my clients' objectives." The importance of this was very clearly expressed in several of the media planner interviews conducted prior to the quantitative study.

The lowest scores of transit-only sales representatives were related to providing effective selling tools and providing useful demographic information. Thirty percent of media planners rated their sales representatives below average on these two attributes. Among this subset of media planners, larger percentages of generalist media planners than out-of-home specialists give their sales representatives below average scores on providing demographic information, effective selling materials and reliable follow-up, and keeping planners current on new media options. (See Table 28.)

Table 26. Billboard ratings matrix.

Attributes	% of respondents (79) who said the attribute "Describes **billboards** completely or very well"			
	>75%	50%-74%	25%-49%	<25%
CRITICAL / MUST HAVE		Delivers exactly (59) Can target (59)	Good value for $ (41)	Aud. measure. (21) Comp. demo data (22)
REALLY SHOULD HAVE & SHOULD HAVE	Easy to learn (77)	Know. sales reps (64) Multi-city buy (56) Simple to execute (62)	Flexible flighting (38) Innovative prods (26) Reas. Prod. costs (28) Creative team (35)	ROI metrics (7)
NICE TO HAVE	Can't be TiVo'd (80) 24-hr exposure (77)	Standard. ad sizes (73)		

Overall Satisfaction with Transit Media Sales Representatives

A little more than 60% of all surveyed media planners reported being "satisfied" (38%), "very satisfied" (19%) or "extremely satisfied" (5%) with their transit sales representatives. That means that almost 40%—a very large number in the experience of the research team—of media planners reported being only "somewhat" or "not at all" satisfied with their transit sales representatives.

The dissatisfaction is heavier on the side of the media planners with multi-media representatives. Among these, 43% were "somewhat" or "not at all" satisfied with their sales representatives compared with 34% of media planners with dedicated transit sales representatives. (See Table 29.)

Section 9: New Media

Respondents were presented with seven new media options and asked to indicate which, if any, of the options would significantly increase the likelihood of their recommending more transit media. The media options presented came from new technologies that are being discussed in the press as well

Table 27. Media planners' ratings of multi-media sales representatives.

Statements of Satisfaction	TOTAL SAMPLE (% of 79)	Out-of-Home (% of 35)	General w/ National (% of 40)	General w/ Local/Regional (% of 39)
"My media sales rep spends as much time selling me on transit as on other media"	Strongly agree/Agree 42	43	44	39
	Disagree/ Strongly disagree 29	31	17	35
"My media sales rep is as knowledgeable about transit as other media"	Strongly agree/Agree 73	71	83	69
	Disagree/ Strongly disagree 10	11	6	12
"My media sales rep provides selling tools and materials for transit that are as effective as those for other media"	Strongly agree/Agree 51	60	44	42
	Disagree/ Strongly disagree 23	23	17	27

Total sample = media planners with sales representatives who sell multiple media including transit (79)
Data compiled from responses to Question 32 of the survey (available in Appendix A).

Table 28. Media planners' ratings of transit-only sales representatives.

Statements of Satisfaction	TOTAL SAMPLE (% of 74)		OUT-OF-HOME (% of 16)*	General w/ National (% of 24)*	General w/ Local/Regional (% of 34)
"Relative to other media sales reps, my transit rep takes time to understand my needs and my clients' objectives"	BIC/AA	43	50	58	29
	WIC/BA	15	13	4	24 B
"Relative to other media sales reps, my transit rep is knowledgeable and prepared"	BIC/AA	51	50	58	47
	WIC/BA	12	6	8	18
"Relative to other media sales reps, my transit rep provides useful demographic information"	BIC/AA	32	31	42	27
	WIC/BA	30	6	21	47 B
"Relative to other media sales reps, my transit rep provides effective selling tools and materials"	BIC/AA	39	31	58 B	29
	WIC/BA	24	6	25	32
"Relative to other media sales reps, my transit rep is reliable for following up after the pitch"	BIC/AA	61	81 A	67	47
	WIC/BA	18	6	13	27
"Relative to other media sales reps, my transit rep keeps me current on new media options"	BIC/AA	45	38	63	35
	WIC/BA	24	6	13	41 B

Total sample = media planners with transit-dedicated sales representatives (74)
*Caution: small sample size
BIC/AA = Best in Class or Above Average
WIC/BA = Worst in Class or Below Average
A = Significantly higher than all media generalists @ 90% confidence level
B = Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Question 33 of the survey (available in Appendix A).

as experimented with by select transit agencies both in the United States and abroad.

Headlines

- Digital media generate the greatest potential for increasing media planners' use of transit media.

- A very small percentage of respondents said that none of the options presented would affect their use of transit media.

Transit and New Media

The majority of media planners indicated that digital displays on platforms and in stations, as well as digital displays

Table 29. Overall satisfaction with sales representatives.

Response	Total Sample (% of 153)	Planners with multi-media reps (% of 79)	Planners with transit-dedicated reps (% of 74)
Extremely satisfied	5	4	5
Very satisfied	19	13	26
Satisfied	38	41	35
Somewhat satisfied	29	30	28
Not at all satisfied	9	13	5
Extremely/very satisfied	24	17	31
Satisfied	38	41	35
Somewhat/not at all satisfied	39	43	34

Note: Significance testing not performed in this instance.
Data compiled from responses to Question 34 of the survey (available in Appendix A).

on rail and bus interiors would "significantly increase the likelihood" of their recommending transit advertising. These options were the two highest scoring of the new media options presented, with scores of 61% (digital displays on platforms and in stations) and 58% (digital displays on rail and bus interiors). Among out-of-home specialists, the top most popular new media options were digital displays on platforms and in stations (71%) and exterior station wallscapes (67%). Among generalists with national clients, the two most popular options were digital displays on platforms and in stations (57%) and plasma screen TVs in railcars and buses (57%). Among the generalists with local/regional clients, the two most popular options were digital displays on rail and bus interiors (67%) and digital displays on platforms and in stations (55%).

Overall, plasma screens in buses and rail cars made 51% of respondents interested in using more transit media. Exterior station wallscapes were motivating to 49% of media planners. Blue-tooth–enabled (i.e., interactive) posters were of interest to 39%, and the glow-in-the-dark displays that are currently being contemplated by some advertising sales contractors were motivating to only 35% of media planners. Finally, in-tunnel subway advertising was motivating to only about 27% of respondents. (See Table 30.)

Several out-of-home specialists had other options in mind. The only alternative actually written into the survey responses was interactive digital displays that react to being stepped on or waved over by moving or changing the image on the screen.

Section 10: Final Suggestions

The final question of the survey asked respondents to report, in their own words, what could be done to make transit more attractive to them and to their clients, the advertisers. Almost 100% of survey takers wrote in a response.

Headlines

- The top two suggestions for making transit media more attractive were (1) to develop a credible audience measurement system along with tools for measuring ROI and (2) to innovate/add new formats.
- Improving the pricing of the media, lowering the cost of production and increasing flexibility of how formats are bundled were high among the suggestions of generalist media planners, but not nearly as evident among out-of-home specialists.

Suggestions for Making Transit Media More Attractive

The most frequently offered suggestions for improving the attractiveness of transit media were (1) to develop an audience measurement system and tools for measuring ROI and (2) to add innovative media opportunities, such as digital formats. Each of these was mentioned by roughly 20% of

Table 30. Percentage of respondents who indicated new media would significantly increase their likelihood of recommending more transit advertising to their clients.

Descriptor	Total Sample (% of 153)	Out-of-Home Specialists (% of 51)	Media Generalists w/ National Clients (% of 42)	Media Generalists w/ Local/Regional (% of 60)
Digital displays on platforms, in stations	61	71 A	57	55
Digital displays on rail/bus interiors	58	59	45	67 B
Plasma screen TVs in railcars/buses	51	43	57	53
Exterior station wallscapes	49	67 A	45	37
Blue-tooth enabled posters	39	29	48	42
Glow-in-dark displays on rail/bus exteriors	35	45 A	31	30
In-tunnel subway advertising	27	29	29	23
None of the above	7	2	5	12
Other	6	14 A	-	3

A = Significantly higher than all media generalists @ 90% confidence level
B = Significantly higher than the other media generalists @ 90% confidence level
Data compiled from responses to Question 35 of the survey (available in Appendix A).

respondents, both among out-of-home specialists and generalist media planners.

Other respondents' suggestions touched on the cost of transit media, the production costs associated with transit media, sales, the image of transit media, and the topics of availability and flexibility. The following comments, in respondents' words, are samples from each of these suggestion areas.

- **Audience Data and Measurement**
  - "Better demographic targeting. Better accountability metrics."
  - "More updated and available data. Being able to more accurately measure impressions is very important."
  - "More specific demographic data along with data that correlates ad exposure with product sales."
  - "Provide more demographic analysis and definitely provide a more obtainable means of tracking success and ROI."
  - "Reliable, third party verified delivery metrics."
  - "ROI is not easily informed with this media, therefore hard to sell."
  - "Effective ROI metrics/measures; clients want to know if it works to deliver sales."
  - "Having a measurement system would be extremely helpful, as clients are always demanding ROI."
  - "Provide effective and believable research and not just ridership numbers."
- **Innovative Products**
  - "Innovate. Right now, one of the big buzzwords is place-based advertising because it is really innovative and new. Transit in comparison is very old school."
  - "As with all OOH media platforms, transit needs to merge with new media formats. . . . Making this technology married with transit and EASY to buy would make transit more attractive."
  - "More digital capabilities for using elements of TV commercials and online creative [advertising]."
  - "It's true that most planners look to billboards first prior to targeting transit media. As long as transit continues to stay innovative and sales reps come in with creative and interesting ideas and technologies, we will continue considering the media as part of our media plans."
  - "Bring something to the table that is new and different."
- **Cost**
  - "While most transit is very efficient, I think if the overall costs were lower the clients would be more receptive."
  - "[Offer] multi-city rates."
  - "Cost based on efficiencies compared to other mass media."
- **Production Costs**
  - "We have found that production costs can be quite costly. Whereas we buy a vinyl that can be utilized on several out-of-home boards for a relatively low cost, when we have purchased transit advertising, the production costs are often higher than two months of the space costs."
  - "Smaller production fees and turnaround times."
  - "Roll up production costs into buy; quit nickel and dime-ing us."
  - "Most of our clients love the concept of transit media and it's exclusively the production costs that turn them off."
  - "Lower cost to actually create the wraps."
- **Sales**
  - "More productive sales team that understands my business."
  - "Friendlier, easier to work with knowledgeable sales force."
  - "Need to be able to speak to my overall campaign goals and objectives instead of trying to change the campaign's objectives to fit transit media's strengths."
  - "Need to be in front of the agency to tell us what is new."
  - "[Show us] case histories from branding as well as direct response clients."
  - "Let the client know how this medium can be used to increase their presence in a market. Offer case studies on how this form of advertising has worked for other clients."
  - "I think it's just a matter of educating the advertisers and the agencies of the advantages of using transit media."
- **Image**
  - "Classier."
  - "Get rid of the perception that it is downscale."
  - "Keep it clean, uncluttered."
- **Availability and Flexibility**
  - "More transit opportunities even in mid-size cities. The more a client is exposed to the media the better opportunity for this type of advertising to be recommended."
  - "Flexibility in choosing geographic areas or specific bus lines/garages."
  - "Shorter production lead times . . . less overall stipulations."
  - "More accessibility = I have to go out of my way to coordinate such a buy."

Summary of Media Planner Quantitative Research

The key high-level findings from the media planner quantitative research are summarized here.

Finding: *Familiarity with transit media is widespread.*

Three-quarters of the media planners in the study reported being either extremely or very familiar with transit media. This appears to be a strong number, though there is certainly room for expansion.

Finding: *Most media planners report being comfortable recommending transit media to clients.*

Ninety-three percent of respondents agreed with the statement, "I'm comfortable recommending transit media to clients." Only 4% disagreed.

Finding: *The majority of media planners reported having had a good experience using transit media.*

More than three-quarters of media planners agreed with the statement, "I have had a good experience with transit media." Only 2% disagreed.

Finding: *Transit media are not as widely recommended to advertisers as the previous findings suggest.*

Seventy-five percent of out-of-home specialists recommend transit frequently, but only 40% of generalist media planners do the same. Moreover, the percentage of out-of-home specialists who recommend *billboards* frequently is 86%.

Finding: *Significant numbers of media planners suspect that advertisers do not perceive transit media positively.*

Ten percent of media planners disagreed with the statement "Clients' perceptions of transit media are positive." Another 44% could neither agree nor disagree.

Finding: *Out-of-home specialists are transit's biggest fans.*

Out-of-home specialists are the biggest fans of transit media. They "live" in the world of out-of-home media and therefore have the opportunity to get very familiar with transit (53% are "extremely" familiar vs. 11% of generalist media planners), see or hear of it being deployed successfully, and use it themselves (71% "always" or "frequently" recommend it vs. 40% of generalist media planners). They have a more positive view of the usefulness of transit media than their generalist counterparts. This positive view was seen in the significantly higher scores given by out-of-home specialists than scores given by generalist media planners on eight out of 14 media and marketing objectives.

Because the availability of demographic information, audience measurement, and ROI metrics is significantly less important to out-of-home specialists than to generalist media planners, transit's deficiency in these areas bothers them less. Consequently, compared to generalist media planners, significantly greater percentages of out-of-home specialists view transit as "effective" (82% vs. 46%) and "strongly agree" that they are comfortable recommending transit media to clients (57% vs. 30%).

Finding: *Generalists with national clients are also very positively disposed toward transit media.*

Statistically higher percentages of generalists with national clients than out-of-home specialists gave high ratings to transit on several media features. These features include "good value for the money," "can deliver ROI metrics," and "offers innovative products." Generalists with national clients also rated transit higher than out-of-home specialists on some image ratings, most notably "hip" and "sexy." Overall, their ratings and perceptions of transit were not far behind those of the out-of-home specialists. Their usage, however, was considerably behind out-of-home specialists: only 45% indicated that they recommend transit "always" or "frequently" versus 71% of the out-of-home specialists. Also, a much smaller portion of generalists with national clients (55%) view transit advertising as "effective" than out-of-home media specialists (82%). The combination of mostly positive perceptions and low usage makes this segment of media planners a highly attractive target. They have their skepticisms, but stand ready to be convinced of transit advertising's benefits.

Finding: *Of the three segments of media planners, generalists with local/regional clients are the least positively disposed to transit.*

Relative to the other two segments, the generalists with local/regional clients are just as familiar with transit media, but are not as likely to be frequent recommenders of transit (only 35% "always" or "frequently" recommend). This group of respondents gave transit advertising the lowest ratings on its ability to very effectively achieve 14 media and marketing objectives. On the media features they said were most highly desirable, e.g., delivering exactly what was bought, they gave transit some exceptionally low scores.

The generalists with local/regional clients tend to work with smaller media budgets and tend not to view transit as a good value. On image ratings, they gave transit the lowest "effective" score, the lowest "efficient" score, the lowest "innovative" score, the lowest "intrusive" score, the lowest "hip" score and the highest "expensive" score. This segment will be the hardest to convince to increase their transit media usage. Any approach must start by addressing the value of transit media, as this segment is the most cost conscious.

Finding: *Transit media's strongest perceived function is reaching captive audiences.*

When asked to select the medium, from among billboards, place-based, television, internet and transit, that best accomplishes each of 14 different media and marketing objectives (for example, "enhance a brand's image" and "break through

clutter"), transit was number one only once: for "reach a captive audience," which received 43% of media planners' votes. Transit media received a decent share of votes for being best at achieving market saturation, extending reach, and extending frequency.

Finding: *Transit media are not homogeneous.*

An interesting finding is that reaching a captive audience, a media objective often associated with transit media in general, is seen as a capability of rail, not bus. Conversely, the objective of reaching a mass audience is highly associated with bus, but not rail. There seems therefore to be a case for regarding the two arms of transit media as distinct products. They both build brand awareness through increasing reach and frequency, but bus is more appropriate for a mass audience, and rail is more appropriate for a captive audience.

Finding: *Transit advertising is regarded as supplemental, and therefore discretionary.*

The majority of media planners in the study regarded transit advertising as supplemental. This categorization makes it a "nice to have" as opposed to a "must have" medium, and therefore one that is high on the list to be cut when budget pressures hit, as they often do. The media objectives that media planners most associate with transit are extending reach and extending frequency—both incremental benefits. Consequently, use of transit media appears very much at the mercy of the size of the media budget. If there are leftover dollars once the primary media have been put in place, then transit is an effective way to bolster reach and frequency.

Finding: *Transit is second to billboards as an advertising medium.*

The survey revealed that the respective strengths of transit and billboard advertising, in terms of ability to deliver on specific media and marketing objectives, are highly parallel. Among the 14 media and marketing objectives presented, both scored highest for their abilities to achieve market saturation, extend reach and extend frequency. The research team concludes from this result that transit media and billboards must be thought of as substitutes and therefore must be in the same consideration set for media planning.

However, billboards consistently score higher than transit where both were measured. Billboards' scores are much stronger than transit's on meeting the specific media and marketing objectives mentioned above. Also, media planners' ratings of billboards' ability to deliver highly desirable media features, like "delivers exactly what was bought" and "can tar-

get specific areas or demographic groups" are also significantly higher than transit's ratings.

Finding: *Transit media are not viewed as efficient.*

Only 38% of respondents said that "efficient" describes transit "very" or "extremely well."

Finding: *Views are split on transit advertising's effectiveness.*

Eighty-two percent of out-of-home specialists said "efficient" describes transit advertising "very" or "extremely well." Among generalist media planners, only 46% said the same.

Finding: *Transit advertising is not viewed as innovative.*

Seventy-seven percent of media planners said that offering innovative products was highly desirable in a medium. Only 33% of respondents said that this statement describes transit completely or very well. This finding was corroborated in the image ratings, where only 25% of respondents said that "innovative" describes transit very or extremely well.

Finding: *Transit advertising is not viewed as clean.*

Fifty-eight percent of respondents said that "clean" describes transit advertising "slightly" or "not at all."

Finding: *Transit media have additional significant image deficiencies, but "downscale" is not among them.*

In addition to the image descriptors already discussed, the majority of media planners did not find transit "hip," "intrusive," "sexy" or "clean." On the positive side, they did not find transit "complicated" or "downscale."

Finding: *Transit advertising is perceived to be weak in delivering the media features that are most important to media planners.*

The five most important features of any medium are that it (1) delivers exactly what the media planner bought, (2) offers good value for the money, (3) is able to target specific areas or demographic groups, (4) offers a credible audience measurement system, and (5) offers comprehensive demographic data. None of these was perceived to be among transit advertising's strengths.

Finding: *Overall, the media features on which transit scored best were among the least in demand.*

Transit media's best score was on "cannot be TiVo'd." This feature ranked as number 15 in desirability out of the

17 presented. Transit media's next highest ratings were "is easy to learn and stay on top of" (14th in desirability) and "offers 24-hour exposure" (16th in desirability).

Finding: *Media planners are not receiving sales materials or demographic data they view as effective.*

Media planners gave sales representatives low ratings on providing useful demographic data and providing effective selling materials.

Finding: *Media planners' satisfaction with sales representatives is mixed.*

Sixty-one percent of all media planners surveyed are satisfied with their transit sales representatives. Thirty percent of all media planners surveyed are only somewhat satisfied, and 9% are not-at-all satisfied.

Finding: *Media planners with transit-dedicated sales representatives are more satisfied than media planners whose representatives sell multiple media.*

Half of the media planners in the study have sales representatives who sell only transit advertising. The other half have transit representatives who sell transit along with other media—most likely other out-of-home media. Whereas 31% of media planners with transit-dedicated representatives were very or extremely satisfied with their representatives, only 17% of the media planners with multi-media sales representatives were. On the negative side, 34% of media planners with transit-dedicated representatives were somewhat or not-at-all satisfied with their representatives, and 43% of the media planners with multi-media sales representatives were.

Finding: *Media planners' top suggestions for increasing transit advertising's attractiveness were to develop an audience measurement system and introduce innovative new products.*

Beyond these top two suggestions, respondents' suggestions fell into the following categories: the cost of transit media, the production costs associated with transit media, sales, the image of transit media and the topics of availability and flexibility.

Finding: *Media planners' preferences for new advertising products point to digital.*

Sixty percent of respondents said that digital displays on platforms, in stations and on bus/railcar interiors would sig-nificantly increase the likelihood of their recommending more transit advertising.

Advertiser Interviews

Even though researching the attitudes of advertisers was not this project's main focus, the research team felt it was critical to tap into their thinking about transit advertising. Representatives of 14 advertisers in several different industries were interviewed. Usage of transit media was not a requirement of participation. The research team required only that the interviewee was the person responsible for selecting the media that go into the company's media plans and that out-of-home media were among the media they could consider using.

The discussion guide for these 30-minute telephone calls included many of the same topics researched among media planners:

- The media objectives transit is most effective at achieving
- The image of transit media
- The nature of their experience with transit media
- The importance of audience measurement data
- How to improve the attractiveness of transit advertising

The research team spoke mostly with marketing vice presidents and directors for companies in a fairly wide range of industries. The companies included two global beverages companies, a global maker of networks and communications technology, a global computer manufacturer, a global satellite television provider, a national consumer electronics retailer, a national business software company, a regional pharmacy chain, a local television station, two local hospitals, and a statewide social services agency. Please note that the small number of respondents, combined with the variety of industries they represent, make this sample far from representative. Therefore these interviews were used for confirmation and elaboration of findings from the media planner study.

Media Objectives for which Transit is Appropriate

Advertisers view transit advertising as a way of building awareness for their product or service. However, these advertisers still see transit advertising as "an ornament on a solid foundation." Transit is supplemental, a "nice to have," but among the first things to get cut if dollars run short. Advertisers are open to transit when they are introducing a new product or program, and want to saturate the population of a defined area with their message. Several even spoke of the

unique executions, i.e., bus wraps and station dominations, as attractive parts of launch efforts due to their "break through" effect. These advertisers, however, referred to transit as a one-off: something they would use in a single set of circumstances as an accent element, but not a recurring part of the media plan.

Other advertisers see transit media as offering a unique opportunity to be part of the consumer's daily life in an up-close fashion. These respondents talked about wanting to "surround the customer with our message" and "catching customers in their daily routine." They were enthusiastic about full bus wraps and station dominations. These advertisers are perhaps more likely to include transit as a regular part of the media plan than those discussed in the previous paragraph.

Perceived Image of Transit Media

Transit advertising was perceived by several of the advertisers as being "not cheap." In particular, the production costs of transit advertising were cited as being high, and a reason to forgo the medium if the budget were to tighten. There were comments, as well, about transit not being efficient. It was seen from several perspectives as not being a precisely targeted medium. A couple of respondents complained about not being able to buy specific bus routes, and therefore wasting money reaching people they have no interest in reaching.

Additionally, some advertisers said they thought transit advertising was downscale and cluttered due to the number of messages that appear together (e.g., inside a bus or railcar). An advertiser who focuses mostly on New York City has an image of transit as upscale and very amenable to targeting consumers at the neighborhood level. One advertiser thought of transit as a dated medium, saying it was "very '50s and '60s," and therefore not for sophisticated brands.

Other advertisers were not at all negative about transit, acknowledging that "transit has its place." Some recognized its ability to be exciting, big and new, as exemplified by bus wraps and station dominations. Some also offered that transit has the ultimate ability to get their ads close, as in "directly in the faces of" their customers, which they saw as extremely valuable. One even saw transit as the medium best positioned to make advertising experiential for consumers.

Importance of Audience Measurement

Most respondents, when asked, agreed that having measurements of the audience targeted and reached would increase their interest in using transit media. One respondent, a regional retailer, said that her company was so focused on tracking sales back to advertising initiatives, that transit media stood very little chance there, except perhaps for a special event. Most advertisers spoke about experiencing some

sort of pressure to demonstrate, through data, the effectiveness and efficiency of their media choices. Having a credible measurement system would make it easier for the advertisers to sell their programs.

Limitations of Transit Media

A few respondents mentioned limitations of transit media that are worth noting. One local hospital advertiser felt that transit, and perhaps other out-of-home media, did not afford enough space to get across a robust product-selling message. In her mind, there are messages that simply are not appropriate for this medium.

Another advertiser felt that transit offers only limited reach. This was a national consumer product advertiser. Though this was not a criticism identified in the media planner study, there might be some substance here. Two other advertisers commented that the attractiveness of transit varies by location: in cities where transit "is part of daily life," it is much more attractive to advertisers than where it is not. Compared to television, which can reach every household with a set, no matter how remote the location, transit media's reach is indeed limited. It is also a complication of transit that the audience reached varies from city to city.

Advertisers' Suggestions for Improving Transit Media's Attractiveness

The top suggestions of the advertisers interviewed are to make transit media measurable, make it fresh and exciting, make it more flexible (packaging) and faster to respond (creative), and make it less expensive to produce.

Advertising Sales Contractor Interviews

Whereas our media planner survey explored the purchaser's view of transit advertising, interviews with advertising sales contractors provided the view from the seller's perspective. Many transit agencies have media sales capabilities in-house. However, the purposes in this study were better met by speaking with the external contractors who sell the bulk of transit advertising.

The one-on-one telephone interviews of 12 media company executives were focused on getting their perspectives on the major obstacles to greater transit advertising sales growth. Most of these interviews occurred between April and June of 2007. Interviewees included representatives of the largest advertising sales contractors—Clear Channel, CBS Outdoor, Titan Worldwide, Lamar Advertising and Gateway Outdoor—as well as a handful of smaller ones.

How the Advertising Sales Contractors Sell

By way of background, it's important to understand that advertising sales contractors sell to three different customer types: national media planners (working largely with national clients), local media planners (working with local clients), and advertisers, themselves. One major advertising sales contractor estimated that his company did 35% of its transit media sales direct to advertisers, 40% to local media planners and 25% to media planners working on a national scale. Another advertising sales contractor estimated that his company did only 10% direct sales, 35% to local media agencies and 55% to national media agencies.

Much of the sales effort of advertising sales contractors—in fact of sales representatives of all media types—is focused on getting media planners acquainted with and excited about the media they represent. There is still a lot of direct selling to advertisers, but the majority of media sales go through media agencies. If the sales representatives are successful in their presentations to media planners, then the representative's media will be "top of mind" for those media planners as they go back to their jobs of developing media plans for their clients. Beyond presentations, however, those sales representatives who are able to cultivate excellent relationships with media agencies are ultimately the most successful.

When the media planner decides to recommend transit as part of the media plan, the media planner contacts the representative to get whatever specific information (e.g., pricing, availability) he or she needs. Some media planning agencies simply ask media companies to give them a plan for out-of-home. Others develop a formal Request for Proposal that they send to multiple media sellers, specifying their media objectives and their budget. Often, a worksheet is attached specifying the types of media they desire. Then, the media sellers develop their best proposals that the media planner can then choose among.

Because each advertising sales contractor represents only a limited selection of transit agencies, any media planner looking to buy, for example, transit media in the top 10 U.S. cities has to deal with multiple advertising sales contractors. Information on the proper contact for the advertising sales contractor representing each city's transit media is readily available in a well-known resource book called the "SRDS Out-of-Home Advertising Source." Sometimes, media agencies prefer the media sales company to arrange the purchase of all desired cities, even those cities the media sales company does not represent. In these cases, the media sales company will contact its fellow media sales companies to arrange the entire purchase on behalf of the media planning agency. The advertising sales contractors have what they call a cross order arrangement to give the business to a colleague and collect a commission in return.

Sales Force Organization

The advertising sales contractors we spoke with agreed that transit needs a dedicated sales force in order to avoid a conflict of interest with other media. Where the sales force is not dedicated to transit, and the same sales force sells other media as well, then transit sales will almost certainly be sub-optimized.

Media companies are able to make a higher margin on sales of media that they own than they are on transit media. Transit advertising sales contracts typically require the contractor to pay the transit agency 60% (±5%) of monthly sales revenue achieved or a guaranteed minimum payment, whichever is higher. After the sales company pays its sales force and overhead, the margins left for the sales companies are 15% to 20% at best, whereas margins on billboard sales can be up to 40%. Therefore, when an advertising sales contractor *owns* billboards and other out-of-home media, but also *represents* transit agencies, because of the margin differential, the sales representatives will make more money, and therefore be more highly motivated, to sell billboards.

The main implication is that transit agencies should make sure, when hiring a sales contractor, that the sale contractor does not also sell billboard space *in the same location.* This sets up the potential conflict of interest. If the contractor does have competing media in the area, transit agencies should make sure that the sales efforts are kept separate.

Pursuing New Technology and Other New Media Options

The media company executives who were interviewed seemed to fully appreciate the need for exciting new options to offer to clients. Several spoke enthusiastically of the innovations they are working on—for example, "Glow Skin," the poster material that remains illuminated in the dark via "electroluminescent technology."

However, they also cited many perceived obstacles to bringing new technologies and other new media options to transit. One perceived issue is lack of interest and/or commitment to follow-through on the part of transit agencies. As the advertising sales contractors see it, advertising sales is far from the top of the agenda for public transit agencies. Transit agencies are in the business of providing affordable, safe and efficient transportation to their publics, not the business of selling media space for profit. Besides, revenue generated by advertising sales is generally a lot less than 5% of the entire operating budget of the transit agency. Consequently, only modest internal resources are allocated to advertising sales. It is often made the responsibility of the chief marketer for the agency, who has many other priorities as well. Under these conditions, as the advertising sales contractors see it, it is difficult for them to get the agency access and resources they

would need to gain approval for and implement a significant initiative like a new product.

One suggestion for addressing the focus/commitment issue was the appointment of a dedicated high-level manager of transit advertising sales, and perhaps other revenue-generating opportunities. This person's focus would be on generating more revenue for the agency's operating budget. Such a person would be more of the business world than of the public transportation world, and would provide the collaboration and partnership that the advertising sales contractors are looking for. A handful of transit agencies, including the Metropolitan Atlanta Rapid Transit Authority in Georgia, have such a position.

Another obstacle to new product and technology development is the cost of such a program. There is almost always capital required for new programs. Advertising sales contractors are understandably hesitant to make a capital outlay to improve a transit agency's advertising space inventory when their sales contract is short in duration. If the contract were taken over by a different contractor at the end of the period, not only would the first contractor have been unable to amortize its outlay, it wouldn't be able to make any money on the sale of the assets, because, very often, the transit agency declares ownership.

The research team's understanding is that the above concerns are being addressed today by longer term contracts and the inclusion in contracts of provisions that allow for the recovery of amortized capital investments by the contractor that made them.

There is another obstacle to bringing innovative new products to transit, and it is possibly the most significant one. Transit agencies get pitched all the time by entrepreneurial companies with innovative new products to sell. Transit TV and Tunnel Vision are two such examples, and there are many, many more. However, adding transit advertising inventory by a party other than the advertising sales contractor is very tricky.

Some contracts award the rights to all advertising revenue generated in and on buses, trains, stations and platforms to the advertising sales contractor, and so preclude any discussions of bringing in new media from an outside source. Alternatively, some contracts do allow the transit agency to bring in new media. However, this can be seen as a threat by the advertising sales contractor because now his company would face competition for customers. The first customers targeted by the new media sales people are often existing transit advertising clients. In any case, multiple advertising sellers in one market can create confusion among advertisers, which is not helpful to maximizing the transit agency's realized revenue.

There seems to be a stalemate situation here that is very important to resolve for the sake of transit advertising growth. It is beyond the scope of this study to do so. However, there seem to be a few options available. One option is for the advertising sales contractors to develop or purchase their own media innovations. This appears to be the direction at least one advertising sales contractor is heading in for in-car television screens. A second option is for the advertising sales contractors to subcontract the new media sellers so that the new media, in effect, become part of the advertising sales contractor's inventory. A subcontract alleviates the competitive threat, but either increases the cost of the new media or lessens the new media seller's margin.

A third option is for the transit agency to give the lead sales contractor a Right of First Offer provision in the contract, which gives the sales contractor the option to provide the new media themselves or decline and allow a new vendor to come into the market. The Bay Area Rapid Transit District has used this approach in its contract with Titan Outdoor with apparent success.

A final idea is laissez-faire. Many new media companies claim that the new media attract new advertisers to transit advertising. They should be asked to formally document this as being the case. If they can document it, then the competitive stakes are reduced, and the advertising sales contractor and the new media vendor can co-exist.

The New Product Pipeline

In addition to the electroluminescent panels ("Glow Skin") mentioned previously, an advertising sales contractor mentioned video screens installed in rail cars and buses; although such screens are available now, this advertising sales contractor was developing its own in-house system. Some advertising sales contractors mentioned being in the early stages of investigating digital signage, e.g., as bus sides. There was also mention of a clear plastic, overhead hand grip with space for an ad above the opening.

Sales Contractors' Understanding of What Customers Want

According to advertising sales contractors, clients want advertising opportunities that are new and different. They want opportunities that are big and bold and that break through the advertising clutter. They want hard numbers proving the effectiveness and efficiency of the medium. They want evidence that the out-of-home campaign ran as planned. They also often want consistent programs from city to city (e.g., bus benches in the top 20 cities).

Advantages of Transit Advertising

A key objective of the advertising sales contractor interviews was to understand how the sellers of transit advertising are "pitching the product" to customers. When asked about

the leading attributes of transit, its key selling points, they spoke mostly about the tremendous reach and frequency of transit advertising. As one advertising sales contractor executive paraphrased the sales message, "I can put you in front of four million people a day."

The most frequently mentioned unique aspect of transit is its ability to reach audiences that cannot be reached by other out-of-home media. Several advertising sales contractors talked about transit's ability to go to residential neighborhoods and suburban areas, where billboards are frequently zoned out. Others saw the same uniqueness, but spoke of reaching audiences in urban centers, from which billboards are also often excluded. The point may be that if a consumer is not commuting in a car, then, for the most part, they are not viewing billboards. Transit is in the urban centers, on the highways and in the suburbs. As one advertising sales contractor put it, "Buses go where people go: they cover more area, they get into the heart of the community, they achieve more."

Another advantage of transit mentioned was its intrusiveness: whether the audience wants to see the ad or not, it's there. It can't be skipped, shut off, or thrown out. Also mentioned was the speed with which ads can get put up and their cost advantage relative to billboards.

Challenges of Selling Transit

Most advertising sales contractor executives interviewed commented on transit being a tough medium to sell. They pointed to the fact that transit has to be presented to media planners and advertisers because they rarely ask for it themselves. As one advertising sales contractor executive said, "You have to work at selling transit." According to advertising sales contractors, possible explanations for the difficulty of selling transit include the following:

- Transit is not considered a mainstream medium.
- Advertisers want new and exciting, and transit is neither.
- Transit is perceived as being seen only by the least desirable populations from a demographic standpoint.
- Some transit authorities simply do not do a good job with cleaning and maintenance, and their advertising spaces are harder to sell.
- Route-specific advertising is not allowed, essentially forcing the advertiser to buy unwanted ad space.

In the absence of an established audience measurement system, many sales representatives are improvising. Often, they develop visuals using full-system route maps, updated with locations of shops, restaurants and other destinations along the routes where targeted consumers are likely to be found. The point, as one advertising sales contractor put it, is

to "effectively show that [their ads] are out there, the desired audience is seeing them, and that what the advertiser is getting is substantial." Another advertising sales contractor, recognizing that the large media agencies want to see numbers, devised his own methodology to calculate reach and frequency numbers from transit advertising.

Advertising sales contractors talked about the difficulty of selling transit in cities outside of the top 10 to 20 cities. Quite often, transit media from one or several of these cities is bundled with the purchase of the larger cities. According to the advertising sales contractor, the smaller cities would otherwise remain unsold. The consequence, however, is that the smaller cities are sold at a significant discount.

Stories were also shared of transit being used as a sales "kicker" to sweeten a billboard deal. Many of the advertising sales contractors own multiple types of media in a city, based on the strategy of wanting to offer one-stop shopping to media planners. To entice a media planner to purchase its billboards that are, for example, less well located than a competitor's billboards, the media company will include transit ads as a free bonus with the purchase of their billboards. This type of tactic gets the transit ads sold, but it certainly lessens transit advertising's value in the eyes of customers.

Suggestions for Increasing Transit Advertising Sales

In addition to the right sales force organization and financial motivation, as discussed previously, the following are additional advertising sales contractor suggestions for increasing transit advertising sales:

- Refresh the medium with exciting new products.
- Develop a third-party validated audience measurement system.
- Publish research testifying to the effectiveness of transit media.
- Reduce restrictions on categories of advertisers allowed by transit agencies (e.g., alcohol is often an excluded category).
- Make more large format opportunities, like bus wraps, available.
- Develop a system for demonstrating the product in the field to media planners (much like the computer technology allowing billboard sales people to show the creative that is up on any billboard at any time).
- Make full-system route maps accessible electronically.
- Develop visuals that show the extent of geographic coverage offered by transit.
- Make better quality demographic data, at least on riders, available.

- Add bus benches or other street furniture to the available inventory.
- Help especially the junior media planners in the department who might shy away from transit because of its complexity (multiple products, different from city to city) and also because of the lack of measurement system.

Transit Agency Survey

Nineteen responses to the transit agency survey were received, from the roughly 300 invitations sent to transit agency marketing executives. Of the 19, six were from top 10 media markets, nine were from media markets ranked 11 to 50, and four were in media markets beyond the top 50. It is impossible to call such a small sample representative. With this in mind, here is a summary of responses to some of the key survey questions.

Attitude Toward Trying New Media

Several advertising sales contractors the research team spoke with had the perspective that transit agencies sometimes appear to have little interest in pursuing new products. Therefore this question was asked in the transit agency survey: "Are you in favor of trying new media?" Of the 19 responses, 17 said yes, one (from one of the top 10 markets) said no, and one (from one of the markets ranked 11 to 50) was not sure.

New Media Tried

Among respondents from top 10 media markets, the new media tried were wireless Internet on cars, in-tunnel advertising, station domination, and on-board television. Among respondents from media markets ranked 11 to 50, the only new medium indicated was bus wraps. The same was found for the respondents from the media markets ranked greater than 50. Not surprisingly, the larger market agencies show more advancement in the new media they have tried.

Ideas for Increasing Advertising Sales

The following list of ideas was offered by the survey respondents when asked: "What specific ideas do you have for increasing growth of advertising sales?" Their responses show an appreciation of media planners' desires for credible data; for big, breakthrough advertising canvases; and for electronic media opportunities.

- **Respondents from top 10 media markets**
  - Wrap inside/outside of rail cars
  - Station domination
  - Web advertising
  - Present solid data to support transit's viability
  - Communicate in terms of cost per thousand audience members (CPM) and positive demographics
  - Allow more innovative approaches for vendors (e.g., sampling, in-station handouts)
  - Introduce new bus design
  - Transit TV
- **Respondents from media markets ranked 11 to 50**
  - Clearinghouse to connect with national advertisers
  - Add electronics
  - Third-party media trades
  - Wrapped trains
  - LCD signs at bus shelters
  - LCD screens on bus backs
  - Bundle transit with other media
  - Use a national sales company—a regional one doesn't provide same access to national advertisers
  - Light rail kiosks
  - Re-zone to permit bus shelter advertising
  - Sell reflective material for a premium
  - Offer free ad design help
  - Sell ads on tickets and passes
- **Respondents from media markets ranked 50+**
  - Allow larger ads
  - Place advertising on ride guide
  - Offer special deals, e.g., buy two get one free
  - More displays and more promotion

Obstacles to Selling More Transit Media

Respondents' perspectives on obstacles to increasing transit media sales are these:

- Finite numbers of buses
- Limits on how much advertising consumers will tolerate
- Limited understanding of potential customers: preferences, buying behaviors
- Misperceptions: the audience is bus riders and an undesirable demographic
- Low perceived value
- Signage ban
- Transit not considered; when it is, it's thought to reach just transit riders

The array of responses above is a good reminder that there are many facets to the challenge of driving higher advertising sales. Public transit systems' advertising growth can be hampered by governmental restrictions, rider complaint and even limited inventory. Addressing these obstacles falls beyond the scope of this study.

Opportunities for an Industry-wide Resource

Respondents were also asked to state the opportunities they saw for an industry-wide organization like APTA to assist with advertising revenue growth. One theme in the responses is connection: connecting transit agencies to national advertisers, connecting transit agencies to their contractors and other vendors for improving business relationships, and connecting transit agencies to each other for exchange of best practices and other strategies and insights. The responses are as follows:

- Have a way to connect transit agencies with advertisers, especially national advertisers.
- Conduct market research into rider purchasing power.
- Present an information forum for contractors/vendors.
- Do an assessment of new media safety and appeal.
- Provide a means for transit agencies to share experiences with each other.
- Create a national database of transit agency advertising.
- Get involved with approving use of digital LCD screens.

CHAPTER 4

Conclusions, Recommendations and Further Research

Conclusions

The overarching conclusion is that **transit advertising is well positioned to grow,** assuming that the overall economy cooperates and the advertising business as a whole keeps growing. The outlook from organizations that track media trends is that the shifting of dollars out of traditional media and into non-traditional formats will continue. In particular, out-of-home media, as a category, will remain one of the fastest growing sectors of advertising spending. This forecast is consonant with the belief that the benefits offered by transit advertising align well with the current needs of advertisers.

However, as a medium in competition with billboards, newspapers, place-based advertising, the Internet, and other new media still in development, transit advertising lacks credibility, relevance and distinctiveness in today's advertising market place. The research team has concluded that the following issues are at the core of transit advertising's growth challenge:

1. Transit advertising's positioning—the benefits it is perceived by its target audience to offer—is neither highly motivating nor differentiated from billboards.
2. Transit advertising has serious image and product deficiencies.
3. The level of product innovation is insufficient to generate interest and enthusiasm among media planners and advertisers.
4. Aside from sales activities, there is no promotion of the product to its target audiences.
5. Transit agencies *not* in top 20 media markets face greater obstacles to growth than those in the top 20.
6. Transit advertising sales materials are not as effective as they could be at "making the case."
7. The overall level of satisfaction with transit media sales representatives is low.

These conclusions are synthesized from many individual findings from the research. A few of the most significant findings are these:

- Transit advertising's greatest perceived strength is in reaching captive audiences.
- With the exception of reaching captive audiences, billboards are perceived to fulfill every function that transit media offer, only better.
- Transit is seen as a supplemental, second tier medium.
- Transit media's strengths are not aligned with what is most important to media planners.
- Perceptions that transit media are effective, reliable and efficient are moderate to weak.
- Perceptions that transit media are expensive are prevalent.
- Perceptions that transit media are *not* clean are prevalent.
- Perceptions that transit media are innovative are *not* prevalent.
- Perceptions that transit is a downscale medium are *not* prevalent.
- Media planners' experience with transit media is largely positive.
- The media planners with the *most opportunity* to recommend non–top 20 market transit advertising have the *least favorable* view of transit media overall.
- Overall satisfaction with sales representatives is low.
- Overall satisfaction with sales representatives is lower for the representatives who sell transit plus other media than for representatives who sell only transit.
- More than half of media planners are not able to agree that advertisers' perceptions of transit media are positive.
- Preferences for new media point to digital.

The following sub-sections elaborate on each conclusion and the findings supporting it.

Conclusion 1: Transit Advertising's Positioning Is Neither Highly Motivating nor Differentiated from Billboards

The media planner study showed that what is perceived to be unique about transit advertising is its ability to reach a

captive audience. This media objective is typically secondary or tertiary, behind such core media objectives as "build brand awareness," "improve brand image" and "trigger a consumer response." This second tier positioning was echoed by the finding that transit is viewed by the majority of media planners as a supplemental medium, but not a medium that is typically core to a media plan.

In addition, transit is viewed as being very similar to billboards in terms of usefulness in a media plan. Both platforms extend reach and frequency, achieve market saturation, and break through clutter. However, billboards consistently score higher than transit in the ability to achieve these media and marketing objectives. Also, media planners' ratings of billboards' ability to deliver highly desirable media features—such as delivering exactly what was bought and targeting specific areas or demographic groups—are also significantly higher than transit's ratings.

Conclusion 2: Transit Advertising Has Serious Image and Product Deficiencies

The majority of media planners in the study said they are very familiar with transit advertising and have had good experiences with transit advertising. However, transit advertising has a credibility problem. Forty-two percent said that "effective"—the most fundamental requirement for any medium—is not highly descriptive of transit advertising. Sixty-two percent of respondents said "efficient"—the second most fundamental requirement for a medium—is also not highly descriptive of transit advertising. These are high percentages of media planners who are clearly not convinced that transit advertising works or is worth the money. The data confirm this: transit also rates quite low on the important feature of being a good value for the money. Transit also got low scores on "reliable," "innovative," and "clean." On a positive note, "downscale" was not highly associated with transit advertising's image among media planners.

Aside from these image issues, there are issues with the product itself. Media planners view transit as dirty, not flexible and expensive to produce. Also, transit is deficient in being able to deliver audience measurements of any kind. This last feature was shown to be of extremely high importance to media planners as they select media to recommend.

Conclusion 3: The Level of Product Innovation Is Insufficient to Generate Interest and Enthusiasm among Media Planners and Advertisers

Very often, advertisers demand media opportunities that are new, exciting, fresh and cutting edge. They are looking to maximize the chance that their ads get noticed, as well as per-

haps add to their brand's reputation as a trend setter. Transit advertising is quite far away from being able to offer this benefit. The media planner survey showed that transit media are not widely viewed as innovative, hip or sexy. Bus wraps and station dominations are the right idea—high impact, attention grabbing and show stopping. However, these products do not define the entire medium.

The new product ideas that rose to the top of the media planner survey involved digital technology: digital displays on platforms and in stations, as well on buses and trains. In the interviews with advertising sales contractors, the research team heard mention of limited exploratory work in the digital realm, and none in the interactive realm. However, the following ideas were mentioned: video screens installed in rail cars and buses (the third highest rated new product idea behind the two digital options), electroluminescent panels that remain illuminated on the side of a bus in the dark, and hanging hand grips for trains and buses that carry ad space.

The interviews led the research team to perceive issues that may be among the key obstacles to new product development and introduction: transit agency and sales contractor incentives to pursue new products are misaligned. The issues are both organizational and contractual.

Public transit agencies, the owners of transit media, have a primary business, and it is not advertising. It is therefore not surprising to hear sales contractors gripe about losing sales opportunities because of the transit agency's inability to respond quickly enough. Neither is it surprising to hear sales contractors' perceptions that transit agencies sometimes seem to lack openness to new product ideas. Because advertising is generally less that 5% of operating revenue, yet carries with it high risk of public condemnation, the whole subject is a bit of a lightening rod for transit agencies. However, if transit agencies want to see their revenue from advertising grow, they need to embrace it.

The contractual issues are their own quagmire. There is no shortage of small companies out there who have innovative ideas for advertising space in and on public transit. However, any transit agency that has contracted a sales company to sell their advertising space is going to get strong push-back from the contractor to not deal with new media companies. From the sales contractor's perspective, any new media company is direct competition, and the first customers it will call on are those of the sales contractor. The research team was informed that attempts to restrict a new media company from poaching the sales contractor's customers rarely work.

For this reason, transit agencies often grant their sales contractors the right to be the first company asked to develop a new technology. The research team has seen transit agencies run into difficulties in this scenario, as well. If the new technology is

a costly one, as technology often is, then the contractor will most likely want a new payment structure to compensate it for the major capital outlay on assets it does not own. Protracted negotiations ensue, or maybe a competitive bidding process is launched, and new product development is delayed, and delayed some more.

Conclusion 4: Aside from Sales Activities, There Is No Promotion of the Product to its Target Audiences

Target audiences need to hear marketing messages—the high-level benefits associated with purchasing or consuming the brand, as expressed in the positioning statement—as well as sales messages—the detailed features and specifications of the product. To the knowledge of the research team, there is little communication of transit's benefits, aside from what individual transit sales representatives convey. Certainly, no single message is being consistently conveyed. Nor did the interviews surface any other promotional activities intended to generate awareness of or interest in transit media among media planners and advertisers.

Many media have industry associations that focus exclusively on increasing sales. These media trade associations showcase their media to media planners and advertisers via industry-wide conferences. They conduct research to prove the media's effectiveness, and they organize industry-wide efforts to make changes necessary to build business (e.g., fight harmful legislation, develop measurement systems). APTA, the trade group for transit authorities, is a general trade group, and therefore not focused on increasing the value of the advertising assets.

Conclusion 5: Transit Agencies not in Top 20 Media Markets Face Greater Obstacles to Growth than Those in the Top 20

General estimates hold that 40% of transit media is purchased by national advertisers and 60% is purchased by local/regional advertisers. The opportunity to sell more transit advertising to national advertisers is great: national advertisers are putting more and more marketing dollars into non-traditional media. Moreover, the transit advertising inventory in the largest U.S. cities—major downtown bus routes, commuter rails, subway and light rail systems—is very attractive to national advertisers. So transit media in top 20 media markets are already in demand. Implementation of some of the recommendations in this study can drive transit media sales in the top 20 markets even higher.

For non–top 20 markets, however, the upside potential is less clear. These cities are typically not highly in demand by national advertisers. The generalist media planners who work for local and regional advertisers have the least favorable views of transit media. And the advertising assets, themselves, most likely cover the spectrum from very attractive (e.g., a highly populous second-tier city with a large bus system) to not-very attractive (e.g., a very limited bus system serving a widespread rural population). Yet doubling transit advertising sales will require strategies for both segments of transit agencies. Special initiatives are required to help sell transit advertising in the non–top-tier markets.

Conclusion 6: Transit Advertising Sales Materials Are Not as Effective as They Could be at "Making the Case"

An important finding regarding the sales process is that media planners' needs for demographic data on target audiences and other selling materials are not being met. Lack of demographic data, as well as industry-wide standards and protocols for collecting and reporting the data, are serious deficiencies for transit advertising, affecting its credibility and therefore its usage. Lack of other selling materials is an issue for individual transit media sales representatives, who would benefit from support from an industry-wide marketing resource.

Conclusion 7: The Overall Level of Satisfaction with Transit Media Sales Representatives Is Low

Media planners find transit sales representatives, on the whole, to be knowledgeable, responsive and reliable. Media planners give transit sales representatives credit for taking time to understand the business issues that the media planners are trying to address, rather than going straight to space availability and pricing. However, when asked about their overall satisfaction with transit sales representatives, media planners' scores are low. Thirty-nine percent of respondents said they are only somewhat or not-at-all satisfied. Moreover, the 52% of respondents who have sales representatives that sell transit along with other media are significantly less satisfied than the 48% of media planners with transit-only sales representatives.

Recommendations

Overall Recommendations

Recommendation 1: Reposition Transit Advertising to Differentiate it from Billboards, Elevate its Importance and Update its Image

Transit advertising has significant upside potential. Transit is part of the out-of-home media sector, the second fastest growing segment of the media industry behind Internet

advertising. Also, transit has features that align quite well with trends in advertisers' needs. The good news is that the research team did not find a lot of problems that cannot be fixed. The bad news is that there are a lot of problems that need to be fixed.

The upside growth opportunity for transit is greatest if the most significant perception issues are addressed: (1) transit media are viewed as a substitute for billboards, in the sense that they deliver the same media objectives (e.g., builds awareness, extends reach and frequency); (2) transit media are viewed as supplemental in a media plan, i.e., a nice-to-have-if-there's-budget-available, instead of as a core part of a media plan; and (3) transit media are not perceived to be innovative, exciting or contemporary.

The recommendation is that transit evolve its "captive audience" positioning to become the medium that surrounds consumers, touching them multiple times during their daily travels. Through repeated eye-level encounters, transit media offer advertisers the chance to let their consumers experience their advertising/offering several times on a daily basis. Transit media will come to be seen as a critical part of any audience exposure experience. A positioning along these lines differentiates transit media from billboards, elevates transit media's importance, and updates transit media to today.

The recommended positioning for transit media is the following:

> **Transit media are the media that get "up close and personal" with your consumers so that they don't just see, they *experience* your brand message.**

This positioning updates transit media's main role to one that is very much in demand among advertisers today. It also gives transit media a more important, more compelling benefit. In addition, it communicates that the reach of transit media goes beyond public transportation riders, an assumption that is still widely held, according to the research. Finally, it differentiates transit from billboards, which are most often not at eye level.

Recommendation 2: Promote Transit Media Among Both Media Planners and Advertisers

Transit media would benefit significantly from an advertising campaign communicating the new positioning of transit to media planners and advertisers. With both groups, the goal would be to convince them of the benefit of using transit advertising and to overcome some of the negative beliefs and imagery they hold about transit media. An advertising program is a needed complement to the one-on-one efforts of the sales force. Done properly, advertising heightens the media planner's or the advertiser's interest in the product and generates receptivity to receiving a sales call.

If resources prohibit a national campaign, then the recommendation would be to focus the marketing effort on the top 20 media markets. Along with this advertising campaign must go a transit advertising website, to not only reinforce the selling messages but to provide information and resources useful to media planners and advertisers and to capture the names of those interested enough to make inquiries.

Other forms of promotion would also help to generate advertising sales growth. At the top of this list is conducting events that showcase transit advertising to media planners and advertisers. Transit could immediately explore opportunities to participate in the events that the Outdoor Advertising Association of America already produces for these audiences on an annual basis. Also at the top of the list is developing case studies of best-in-class transit advertising. A commonly used vehicle for identifying and promoting these examples is an awards ceremony sponsored by the media trade group (see Recommendation 3). Another recommendation is developing a set of tools that make it as easy and straight forward as possible for media planners to include transit in their plans. One such suggestion is a search engine for identifying the advertising sales contact for every transit agency in the United States. Also recommended is including brief descriptions of the advertising assets (i.e., quantity, size, location, size of audience, audience demographics) of all transit agencies in this data base.

A particularly interesting idea is to jointly promote transit media with street furniture, taxicab tops, and bus shelters as a larger category of out-of-home media, perhaps called "street media." Transit would increase its chances of winning the attention of media planners and advertisers if its size were more substantial. Teaming up with other in-the-street media for exhibitions or conferences, for example, would be a way to accomplish this objective.

Recommendation 3: Create a Transit Media Trade Group

The creation of a transit advertising industry group that exists to promote the medium—just like the Interactive Advertising Bureau, the Outdoor Advertising Association of America and the Cable Television Advertising Bureau (all outlined in Chapter 1)—is recommended. Implementation of the core recommendations of this growth plan is wholly dependent on the formation of this group. The research team knows of no organization currently in a position to drive the efforts required to produce growth of the magnitude desired. APTA has many more issues on its large plate than growing advertising revenue. Establishing an entity focused on promoting transit advertising gives transit the

attention it needs and puts it on an even playing field with its many media competitors.

On the agenda for a transit media trade group are many activities:

- Develop the national transit media advertising campaign (Recommendation 2).
- Organize conferences that showcase transit media to media planners and advertisers (Recommendation 2).
- Provide guidance (e.g., selling messages about the benefits of transit advertising) for the development of sales tools and materials to help sales representatives be more responsive to media planners and advertisers (Recommendation 8).
- Commission market research documenting the effectiveness of transit advertising (Recommendation 8).
- Lead the effort to establish a more effective way to portray demographic information on transit advertising's audiences (Recommendation 8).
- Lead the effort to develop an audience measurement system (Recommendation 4).
- Develop tools and information for media planners to make it easier for them to use transit media (Recommendation 2).
- Advocate for legal and regulatory changes necessary to permit new product development (Recommendation 5).
- Develop "package" offerings comprising the advertising space of multiple transit systems (Recommendation 7).
- Charter a work group to develop strategies to expedite the introduction of new technologies (Recommendation 5).

Recommendation 4: Develop a Credible Audience Measurement System

As noted among the findings and conclusions, transit media's image suffers from skepticism about its effectiveness, its reliability, its efficiency and its value for the money. All of these concerns will be addressed if/once transit media become measurable. For this reason, the research team posits that if instituting an audience measurement system were the only recommendation the transit media industry achieved, there would still be a great impact on transit advertising sales.

The billboard advertising industry was expected to launch its audience measurement system in fall 2008. A Wachovia Capital Markets equity research report from January 2007 estimates that the addition of a measurement system will lead to the more than doubling of billboard's share of advertising, adding $7 billion of revenue (25). Joseph Philport, President and CEO of the TAB, says that developers of the billboard measurement system have identified transit as the next out-of-home medium to have a measurement system developed (personal communication, October 31, 2007). The transit advertising industry needs to establish contact with this group and take advantage of any assistance offered.

Recommendation 5: Introduce Digital and Interactive (Experiential) Technologies to Transit Advertising

A positioning is only credible and sustainable if it is true. Transit advertising, as known today, certainly is "up close and personal" with consumers by virtue of being at eye level and often close enough to touch. However, two-sheets and bus kings are no longer enough in a media environment that is already embracing digital and interactive formats. Transit advertising needs to become digital and interactive, itself, as soon as possible. To be too far behind this important trend will only reinforce some of the unhelpful imagery already associated with transit media.

Success in introducing new products and technologies will require stronger partnerships between transit agencies and sales contractors than, by many accounts, exist today. Advertising sales is far from the primary business of public transit agencies. Moreover, being subject to public scrutiny, transit agencies are, perhaps prudently, risk averse when it comes to their advertising. However, without the commitment of the transit agency to pursue new advertising ideas, and without the proper financial motivation for both parties, innovation in transit advertising is unlikely to happen.

An important sub-recommendation, therefore, is that transit agencies and sales contractors negotiate what it will take to make new products and technologies happen on a timely basis. As noted earlier, this could be an opportunity for an industry-level task force charged with developing optimal contracting strategies for collaborations on bringing new technologies to transit advertising.

Recommendation 6: Address Transit Media's Product and Image Deficiencies

Repositioning transit advertising and introducing audience measurement and innovative new products will go far in addressing transit advertising's image and product deficiencies. However, additional product and image issues require individual attention. The first is the perception that transit media are not clean. Transit's lack of cleanliness could very well affect many other media planner perceptions and attitudes, including being somewhat difficult to sell to advertisers. Media planners who work frequently with transit know which transit systems are very well maintained, and which are not; this knowledge factors into their decisions about whether to recommend a particular transit system.

The second issue is the perception of high production costs. Seventy-five percent of media planners in the survey said that production costs is an important feature of media. Only 20% of respondents said that "reasonable production costs" was true of transit. Because the survey of media planners did not

permit exploration of this issue in any depth, additional qualitative research is recommended to gain greater insight into the drivers of this perception.

The third issue is media planners' perception that advertisers have negative perceptions of transit. This perception could explain why two-thirds of media planners are either on the fence or in agreement with the statement "It's difficult to sell transit media." The limited number of respondents to the advertiser survey revealed a mixture of perspectives. A survey of advertisers one year after transit media promotion commences is recommended. Transit media sales to media planners would be greatly aided by data disproving advertisers' negativity.

Recommendation 7: Develop Specific Strategies to Promote Ad Sales of Transit Agencies Outside of the Top 20 Markets

The first strategy for non–top 20 markets is to tailor communications to the correct target audience. Based on the survey, this audience will most often be the media generalists with local/regional clients. This is the audience with the greatest need to be convinced about the value of transit media. Therefore, the messages, and perhaps even the sales approach, need to be tailored to address this audience's particular concerns and biases about transit media, as highlighted in this study.

Another strategy is to bundle non–top 20 markets into unique, high-value offerings. For example, all of the markets that serve colleges could be bundled and offered as a package. In one transaction, media buyers could purchase the entire public transit network serving U.S. college students. Similar "packages" could be developed around public transit lines serving communities dense with any desired demographic, e.g., the Latino community, business executives, the elderly, etc.

Another recommendation is to create a centralized, searchable electronic data base including profiles of all public transit agencies' advertising inventory. (This was already mentioned as part of Recommendation 2.) Each public transit system is unique in terms of its ridership; its size; types of vehicles; whether it is urban, suburban or mixed; whether it allows full bus wraps or not; and many other details of interest to media planners and their clients. Transit advertising in a non–top 20 market may be perfect for a media plan, but the market might not come to mind for the media planner, and therefore goes overlooked. A searchable data base seems to be an essential tool for media planners that could help raise the visibility of the transit advertising opportunities in markets beyond the top 20.

Recommendation 8: Arm Sales Force with Information, Research, and Case Studies (and Ultimately, Measurement)

The transit media sales force (comprising all advertising sales contractor representatives as well as transit agencies' in-house sales teams) needs more effective sales materials as soon as possible. In the absence of an audience measurement system, transit could conduct a multi-site effectiveness study quantifying the impact of transit advertising campaigns. The results of this study could be developed into a brochure articulating the new positioning of transit advertising and using the creative approach developed for the national (or top city) advertising campaign.

Along with this brochure, case studies showing transit advertising at its most fresh, most exciting and most high impact could be told. Transit also needs to take the first step to developing credible demographic information by making inquiries with market research companies about obtaining better quality data.

Recommendation 9: Address Media Planners' Dissatisfaction with Sales Representatives

From the data can be inferred that a portion of media planners' dissatisfaction with transit media sales representatives must be attributable to sales representatives' inability to provide the basic measurements, tools and information that media planners expect. However, other factors may be having an influence as well. The data suggest that transit sales representatives are overall pretty average at making the effort to understand the media planner's needs and the advertiser's objectives, which is very important to media planners. The research was limited in diagnosing the issues beyond this. For this reason, additional research among media planners is recommended to further explore ideas for increasing media planners' satisfaction with transit media representatives.

A striking finding of this study was the significant difference in media planner satisfaction with multi-media sales representatives versus transit-only sales representatives. The study offers evidence that multi-media representatives do not give as much sales time to transit as they do to other media. Sources have reported cases in which multi-media representatives are offered a greater commission for selling other media than for selling transit. The difference between the sales contractor's margins on transit media sales (at best 15% to 20%) versus on sales of media they own (40%) lends credence to this report. Because roughly half of media planners have a multi-media sales representative, this compensation structure poses a significant obstacle to transit media sales growth. A sub-recommendation, therefore, is to call on sales contractors to remove any financial disincentives to selling transit media that exist.

Recommended Actions for Each Stakeholder

The recommendations in the previous sub-section are intended for the "business owners." In this case, the business owners are three parties: transit agencies, their advertising

sales contractors, and APTA. These three parties along with the proposed transit advertising trade association are stakeholders in advancing the initiatives for growth. Some specific recommendations for each stakeholder follow.

APTA

The research team recommends APTA either form or endorse formation of an independent transit advertising trade association (Recommendation 3).

Proposed Independent Transit Advertising Trade Association

The envisioned transit advertising trade association will play a critical role in elevating the industry's advertising sales. As already noted, this association's near-term agenda includes the following items:

- Develop the national transit media advertising campaign (Recommendation 2).
- Provide guidance (e.g., selling messages about the benefits of transit advertising) for the development of sales tools and materials to help sales representatives be more responsive to media planners and advertisers (Recommendation 8).
- Commission market research documenting the effectiveness of transit advertising (Recommendation 8).
- Lead the effort to establish a more effective way to portray demographic information depicting transit advertising's audiences (Recommendation 8).
- Organize conferences that showcase transit media to media planners and advertisers and include a competition showcasing best-in-class transit advertising (Recommendation 2).
- Lead the effort to develop an audience measurement system (Recommendation 4).
- Develop tools and information for media planners to make it easier for them to use transit media (Recommendation 2).
- Advocate for legal and regulatory changes necessary to permit new product development (Recommendation 5).
- Develop "package" offerings comprising the advertising space of multiple transit systems (Recommendation 7).
- Charter a work group to develop strategies to expedite the introduction of new technologies (Recommendation 5).

Transit Agencies

First and foremost, the leadership of transit agencies that want to grow their advertising sales must decide that they are committed to supporting the internal effort required to do so. As referenced in this report, the internal effort requires the following:

- Management's willingness to make themselves available for decision making on such topics as introducing new adver-

tising platforms (e.g., digital) and pursuing lucrative, but possibly new, opportunities with important advertisers
- Appointment of an entrepreneurial advertising director within the transit agency whose charge is to drive sales as high as possible, within reasonable limits
- Institutional tolerance for the degrees of risk that typically accompany new business development efforts

Transit agencies also need to address two issues that were raised as obstacles in this report. The first issue is the underperformance of the advertising sales force. Transit agencies owe it to themselves to understand the contractor's possible competing priorities. As mentioned previously, these competing proprieties would most commonly take the form of ownership of billboards in the same geography. If the sales contractor owns billboards in the transit sales area, then chances are that the sales representative selling transit advertising space is also selling billboards, and could possibly be working under a commission structure that rewards billboard sales more than transit advertising sales.

More broadly, transit agencies need to do a better job holding their sales contractors accountable for performance. The advertising sales contractors are paid considerable sums by the transit agencies, and they should be expected to deliver better service to transit's customers (media planners and advertisers) than this study shows that they currently do. Better attention paid to transit sales by the sales force will have a substantial impact on advertising sales.

The second issue that transit agencies need to address with their advertising sales contractors is the introduction of new technologies. As this report has highlighted, introducing more innovative advertising platforms is critical to transit advertising's future growth. Yet contract terms between transit agencies and sales contractors have been frequent culprits in hamstringing development efforts. Having touched upon most of the areas of transit advertising in the development of this study, the research team is in a position to say that no other issue causes as much stress to both parties as this one. The best recommendation is that an industry-level task force be commissioned to develop some contracting guidelines that better anticipate the introduction of new technologies than current contracts appear to do. It is possible that some best practices are already emerging from actual experiences, and these should be disseminated.

Advertising Sales Contractors

Advertising sales contractors need to get reenergized about selling transit advertising. Having sales materials with a more compelling, updated message about the benefits of transit advertising should help. Also, having studies proving the effectiveness of transit advertising should help as well. By far, however, the best motivator for the sales force will be having exciting new advertising platforms to sell. Previously, transit

agencies were recommended to be more aggressive and perhaps more accommodating in order to get new technologies introduced. Advertising sales contractors must do the same.

Advertising sales contractors must also now take advantage of the data in this study that profile types of media planners. They can now apply the data about attitudes and beliefs, media "must haves," perceptions about what transit advertising does well and does not do well, and image perceptions of transit advertising to tailor their sales pitches by type of media planner, as follows:

- Out-of-home specialists are transit advertising's biggest fans. They just need to be given more reasons to use transit as frequently as they use billboards. Presenting them with studies proving transit's effectiveness and providing better demographic data on transit advertising's audiences are both very important. Also, showing examples of particularly effective uses of transit media will be very effective with this audience.
- Media generalists with national clients are also big fans of transit. Most critically, this audience needs to be convinced of transit's effectiveness. Until such time as an audience measurement system is in place, studies proving transit advertising's effectiveness will have to stand in. Also, better demographic information is a critical part of the sale of transit advertising to advertisers, so the transit advertising industry needs to develop a standard and effective way to portray this information.
- Media generalists with local/regional clients, as we have seen, are the least enthusiastic group. Almost two-thirds of them claim to be very familiar with transit advertising, yet this group's frequency of usage is the lowest of the three segments. This is the group of media planners that most frequently puts transit advertising in competition with *all other* media types for inclusion in the media plan, not just other out-of-home media. In addition, these planners are working with the smallest media budgets. As a result, they are the most skeptical about transit advertising's value for the money. They also score transit advertising the lowest of the three segments on the effectiveness of transit advertising. Again, addressing the concerns of this segment requires presenting data demonstrating transit advertising's effectiveness, as well as its value for the money. This last part will be hard to prove without an audience measurement system.

Finally, sales contractors must discontinue any practices that disadvantage the promotion of transit media relative to other media the contractor sells.

Recommended Immediate Next Steps

Here is the short list of the most critical activities for the industry to pursue in the next six to nine months.

1. Conduct qualitative research with media planners to explore several issues in greater detail:
   - Confirm the proposed positioning
   - Inquire about the media planning tools, resources and information about each city's transit media opportunities (for the searchable data base) they would find most useful
   - Explore dissatisfaction with sales representatives
   - Explore perceptions of high production costs
   - Explore media planners' perceptions of negative advertiser perceptions of transit media
2. Establish the transit advertising trade association.
3. Develop and launch national advertising promoting the benefits of transit media (as expressed in the new positioning).
4. Develop a sales brochure that expresses transit advertising's new positioning and showcases transit advertising's best usage.
5. Explore opportunities for transit's participation in out-of-home industry events conducted for media planners and advertisers.
6. Commission multi-market research measuring the effectiveness of transit advertising.
7. Develop the national searchable data base of transit agencies' advertising opportunities.
8. Develop the transit advertising website, populated with resources for media planners as well as for transit agencies and sales contractors.
9. Establish an industry-level project team for development of an audience measurement system.
10. Establish an industry-level work group to develop strategies for aligning transit agencies' and sales contractors' incentives to pursue new product and technology development.
11. Encourage transit agencies to generate plans with their contractors to improve procedures for ensuring the cleanliness of their clients' advertising.
12. At the transit agency level, gain the explicit commitment of transit general managers, board members and other decision makers to the efforts required to drive significant increases in advertising sales.

Further Research

The following recommendations are for additional research.

Qualitative Interviews with Media Planners

A finer level of detail than the quantitative survey afforded would be useful on several topics:

- **Drivers of overall satisfaction with media sales representatives**—From the survey was learned that lack of

selling materials and lack of demographic data are deficits, but the degree to which these drive media planners' overall satisfaction with their sales representatives is not known. A deeper exploration of even more factors that may influence satisfaction is warranted.

- **Drivers of the mediocre price–value perception**—The research team has hypothesized that the lack of an audience measurement system is a main reason that a mediocre price–value relationship is perceived. However, there is likely to be more to it than that. The research team also recommends exploring the significant minority perception that production costs are not reasonable.
- **Drivers of greater ease in working with transit media**—It would be useful to determine what kind of information and resources media planners would find helpful and in what type of format they would like to receive it. The ideas that came from the research include a directory of which advertising sales contractor represents which transit agencies' advertising. Another idea is to provide core facts on the top 10 or 20 transit advertising markets.
- **Validation of the proposed positioning**—The recommended positioning was deduced from the research conducted, but it was not presented to media planners in its complete form for feedback. The research team recommends validating the benefit expressed in the positioning as being something of value as well as differentiating this value proposition versus other media.
- **Exploration of perceptions held by many media planners that advertisers' perceptions of transit advertising are not positive**—It would be very useful to understand exactly what is driving this perception among media planners. How much of this perception is based on recent actual experience with advertisers, and how much is based on some story the media planner heard long ago? Gathering (alleged) advertisers' objections would be useful for exploring the issue with advertisers themselves.

Transit Advertising Effectiveness Study

As discussed in Recommendation 8 previously, in the absence of a credible audience measurement system, transit needs to conduct a multi-city study quantifying the effectiveness of transit advertising. The intent is that the results become part of the selling information used by transit sales representatives all over the country. This study should also explore the demographics of the transit advertising audience so that the industry can improve the quality and presentation of the demographic data it presents to prospective customers.

Survey of Advertisers

More information about advertisers' images of transit advertising would be useful, especially in shaping communications. A fairly high percentage of media planners (44%) are on the fence with respect to the statement "Clients' perceptions of transit media are positive" and 10% disagreed. Our advertiser interviews were too small in number to draw any general conclusions; however, both very supportive and unsupportive views were expressed by those interviewed.

The research team hypothesizes that advertisers' views of transit advertising will improve measurably upon encountering positive messaging about transit media. This is the importance of Recommendation 2 above, to initiate a marketing campaign with both media planners and advertisers as target audiences. However, before that takes place, getting a sense of advertisers' perceptions would be useful as a baseline from which to measure improvement over time.

Should measurement of advertisers' attitudes reveal that media planners have too negative a perception of advertisers' perceptions, this would be a very important message for media planners to receive.

Tracking Study of Media Planners over Time

Once the transit media industry begins investing in its growth, it will need to track the impact of its initiatives. The media planner survey was structured so that it can be used, perhaps once every two to three years, to track improvement in perceptions of, usage of and attitudes about transit advertising.

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Glossary

Aided (brand awareness): In market research, subjects are asked to recall brands with and without stimulus, i.e., a prompt of some sort. Aided recall measures the percent of subjects that recall the brand with stimulus.

Bus kings: A form of transit advertising that appears on the exterior of a bus, below the windows and covering most of the available bus side between the wheel wells: typically 30" high × 144" wide (wider than bus queens).

Bus queens: A form of transit advertising that appears on the exterior of a bus, below the windows and covering most of the available bus side between the wheel wells: typically 30" high × 88" wide (not as wide as bus kings).

Bus wraps: A form of bus advertising in which the entire bus is literally wrapped in the advertising material.

Competitive set: A marketing term referring to the group of competitors that a typical consumer would view as a substitute for a given product. For example, in Cheerios competitive set are all the other whole grain all-family ready-to-eat cereals.

Cost per thousand audience members: CPM is the standard measure of value for media.

Daypart: Broadcast media separate the advertising day into distinct time periods, each of which is a daypart. Dayparts vary in cost to the advertiser depending on the desirability of the audience typically reached during that daypart (e.g., morning drive time reaches commuters).

Flighting: Flighting refers to the scheduling of advertising. Advertisers can purchase media to run ads on a continuous basis or in discrete periods of time known in the media industry as flights. When advertising is flighted, it is on for a while, then it stops, then it resumes, then it stops, etc.

Place-based media (interior/exterior): The category of media types that are located at specific locations or types of locations; for example, stadium advertising is place based, as is airport advertising. Many networks of media are emerging in types of establishments, including restaurants and grocery stores. These too are place-based media.

Station domination: A specific product offering within transit media that includes the majority of ad placements within a transit station. This type of advertising is believed to have a dramatic impact on consumers, as they are in effect surrounded by ads for a single product, all hanging or posted on every available advertising slot in a given station.

Street furniture: The physical structures found in outdoor public locations—bus benches, bus shelters, telephone kiosks, street kiosks—that offer advertising space.

Two-sheets: In-station transit advertising in the form of a large wall poster that fits inside a permanent frame: typically 46" high × 60" wide.

Unaided (brand awareness): In market research, subjects are asked to recall brands with and without stimulus, i.e., a prompt of some sort. Unaided recall measures the percent of subjects that are able to recall the brand without stimulus or prompting.

APPENDIX A

Media Planner Quantitative Survey

1 Roughly, what were your firm's total global annual media billings in 2006? If you're not sure, please take your best guess. Also, if your firm has more than one location, please speak for the entire agency.

- ● less than $1 million
- ● $1 – $10 million
- ● $11-$50 million
- ● $51-$100 million
- ● $101-$200 million
- ● $201 - $500 million
- ● $501 - $1 billion
- ● over $1 billion

2 Thinking about the media plans you work on, what percentage of your time is devoted to national advertisers vs. local/regional advertisers? (must sum to 100)

By national, we mean clients who advertise in cities across the US. By local/regional, we mean clients that advertise within a limited geography.

% National	
% Local/ Regional	

3 To what percentage of your **national** clients do you recommend **out-of-home** media?

If you specialize in out-of-home, feel free to enter 100%.

- ● < 5%
- ● 5-10%
- ● 11-20%
- ● 21-30%
- ● 31-40%
- ● 41-50%
- ● 51-60%
- ● 61-70%
- ● 71-80%
- ● 81-90%
- ● 91-99%
- ● 100%

4   Roughly speaking, what is the size of the **out-of-home budget** you typically deal with?

If it's not possible to respond on average, then please respond based on the national advertiser you work with the most.

- ● Less than $50,000
- ● $50,000 - $99,999
- ● $100,000 - $199,999
- ● $200,000 – $499,000
- ● $500,000 - $999,999
- ● $1M – $4.9M
- ● $5M – $9.9M
- ● $10M - $19.9M
- ● $20M - $49.9M
- ● $50M+

5   Thinking about the media plans you develop that have an out-of-home component, what is the most typical percent of total media that is spent on **out-of-home**?

- ● < 5%
- ● 5-10%
- ● 11-15%
- ● 16-20%
- ● 21-30%
- ● 31-40%
- ● 41-50%
- ● 51-60%
- ● 61-70%
- ● 71-80%
- ● 81-90%
- ● 91-100%

6   Now we're going to ask you a few questions about **transit media**.

In your opinion, who is (are) the consumer audience(s) for transit advertising?

```
┌──────────────────────────────────────┐
│                                      │
│                                      │
│                                      │
└──────────────────────────────────────┘
```

7 What types of ad spaces (i.e. formats, venues) are included in your definition of transit media?

Please list the first that comes to mind:

Please list any others you can think of:

8 Which of the following statements best describes your familiarity with transit media, e.g. its products, benefits, product requirements, purchasing, etc.?

- ● Slightly familiar
- ● Moderately familiar
- ● Very familiar
- ● Extremely familiar

9 Does your firm have a transit media specialist in-house?

YES   NO

10 For the remainder of the survey, please think of **transit media** as any form of advertising on the interior or exterior of public buses, subways, streetcars, trolleys and commuter rail, including stations and platforms.

Also, please continue answering the next few questions thinking about the plans you work on for **national** advertisers:

In general, how often do you include **transit media** in your recommended plans to clients?

- ● Always
- ● Frequently
- ● Occasionally
- ● Rarely
- ● Never

11 The following is a list of some of the more common transit media available today. Please select which media you have recommended in the past year. Please check all that apply.

- Bus exteriors
- Bus interiors
- Bus wraps
- Bus benches/stations/shelter
- Railcar interiors
- Railcar exteriors
- Railcar platforms and stations
- Railcar wraps
- Branded stations ("Station Domination")
- Dioramas, clocks and other back-lit displays
- Transit TV
- Tickets, passes, route maps
- Digital displays
- Other

12 What keeps you from recommending more transit media?

13 To what percentage of national clients do you recommend **transit** media?

- 0
- 1-4%
- 5-10%
- 11-15%
- 16-20%
- 21-25%
- 26-30%
- 31-40%
- 41-50%
- 51-60%
- 61-70%
- 71-80%
- 81-90%
- 91-100%

14 Among the out-of-home media plans that have a transit component, roughly speaking, what is the most typical percent of out-of-home media spent on **transit**?

- ● < 5%
- ● 5-10%
- ● 11-15%
- ● 16-20%
- ● 21-25%
- ● 26-30%
- ● 31-40%
- ● 41-50%
- ● 51-60%
- ● 61-70%
- ● 71-80%
- ● 81-90%
- ● 91-100%

15 Please select the statement you agree with most:

- ● Transit is included in the set of **general media** I consider along with TV, radio, print, billboard, internet and all the rest of my media options.
- ● Transit is included in the set of **out-of-home media** I consider _once_ it's been decided that there will be an out-of-home component of the media plan.
- ● Transit is not in the consideration set because it's usually an afterthought.

16 Now thinking about **place-based advertising**, roughly speaking, how often is **place-based** included in your recommended plan to clients?

Please think of placed-based advertising as ads placed in specific out-of-home locations, e.g. in movie theaters, airports, malls, supermarkets, and at theme parks and resorts.

- ● Always
- ● Frequently
- ● Occasionally
- ● Rarely
- ● Never

17 For the next several questions, we'd like your opinions about the effectiveness of **transit advertising** in meeting certain client objectives.

Which of the following strategic objectives can be <u>very effectively</u> achieved through **advertising on bus exteriors**? Please check all that apply.

- ◯ Enhance a brand's image
- ◯ Launch a new product or service
- ◯ Build / extend frequency
- ◯ Build brand awareness
- ◯ Communicate news
- ◯ Break through clutter
- ◯ Trigger action by a consumer
- ◯ Be close to point of purchase
- ◯ Build / extend reach
- ◯ Create a buzz
- ◯ Reach a specific demographic segment
- ◯ Reach a captive audience
- ◯ Reach a mass audience
- ◯ Achieve market saturation
- ◯ None of the above

18 Which of the following strategic objectives can be <u>very effectively</u> achieved through **advertising on subways, platforms and stations**? Please check all that apply.

- ◯ Enhance a brand's image
- ◯ Launch a new product or service
- ◯ Build / extend frequency
- ◯ Build brand awareness
- ◯ Communicate news
- ◯ Break through clutter
- ◯ Trigger action by a consumer
- ◯ Be close to point of purchase
- ◯ Build / extend reach
- ◯ Create a buzz
- ◯ Reach a specific demographic segment
- ◯ Reach a captive audience
- ◯ Reach a mass audience
- ◯ Achieve market saturation
- ◯ None of the above

19 Which of the following strategic objectives can be <u>very effectively</u> achieved through **advertising on commuter railcars, platforms and stations**? Please check all that apply.

- Enhance a brand's image
- Launch a new product or service
- Build / extend frequency
- Build brand awareness
- Communicate news
- Break through clutter
- Trigger action by a consumer
- Be close to point of purchase
- Build / extend reach
- Create a buzz
- Reach a specific demographic segment
- Reach a captive audience
- Reach a mass audience
- Achieve market saturation
- None of the above

20 Which of the following strategic objectives can be <u>very effectively</u> achieved through **billboards**? Please check all that apply.

- ○ Enhance a brand's image
- ○ Launch a new product or service
- ○ Build / extend frequency
- ○ Build brand awareness
- ○ Communicate news
- ○ Break through clutter
- ○ Trigger action by a consumer
- ○ Be close to point of purchase
- ○ Build / extend reach
- ○ Create a buzz
- ○ Reach a specific demographic segment
- ○ Reach a captive audience
- ○ Reach a mass audience
- ○ Achieve market saturation
- ○ None of the above

Note: There are two questions numbered 20. Half of the sample was asked to assess billboards. The other half of the sample was asked to assess place-based media instead.

20 Which of the following strategic objectives can be <u>very effectively</u> achieved through **place-based advertising**? Please check all that apply.

- ⬤ Enhance a brand's image
- ⬤ Launch a new product or service
- ⬤ Build / extend frequency
- ⬤ Build brand awareness
- ⬤ Communicate news
- ⬤ Break through clutter
- ⬤ Trigger action by a consumer
- ⬤ Be close to point of purchase
- ⬤ Build / extend reach
- ⬤ Create a buzz
- ⬤ Reach a specific demographic segment
- ⬤ Reach a captive audience
- ⬤ Reach a mass audience
- ⬤ Achieve market saturation
- ⬤ None of the above

Note: There are two questions numbered 20. Half of the sample was asked to assess billboards. The other half of the sample was asked to assess place-based media instead.

21

Thinking about each of these client objectives, which of these media options does the **best** job at...

	1 Transit	2 Billboards	3 Digital Billboards	4 TV	5 Internet	6 Place-based
Enhancing a brand's image	1	2	3	4	5	6
Launching a new product or service	1	2	3	4	5	6
Building/extending frequency	1	2	3	4	5	6
Building brand awareness	1	2	3	4	5	6
Communicating news	1	2	3	4	5	6
Breaking through clutter	1	2	3	4	5	6
Triggering action by a consumer	1	2	3	4	5	6
Being close to point of purchase	1	2	3	4	5	6
Building/extending reach	1	2	3	4	5	6
Creating a buzz	1	2	3	4	5	6
Reaching a specific demographic segment	1	2	3	4	5	6
Reaching a captive audience	1	2	3	4	5	6
Reaching a mass audience	1	2	3	4	5	6
Achieving market saturation	1	2	3	4	5	6

22

For the next several questions, please indicate on a scale of 1-5 how stongly you agree or disagree with the following statements.

1 Strongly Disagree	2 Disagree	3 Neither agree nor disagree	4 Agree	5 Strongly Agree

I invest time learning about new media.

[1]   [2]   [3]   [4]   [5]

I feel overwhelmed by the extent of media options in today's market.

[1]   [2]   [3]   [4]   [5]

I'm comfortable recommending transit media to clients.

[1]   [2]   [3]   [4]   [5]

I recommend transit media more than I did in the past.

[1]   [2]   [3]   [4]   [5]

Clients generally approve our media plans as recommended.

[1]   [2]   [3]   [4]   [5]

It's difficult to sell transit media to clients.

[1]   [2]   [3]   [4]   [5]

23

Again, please indicate on a scale of 1-5 how strongly you agree or disagree with the following statements.

1 Strongly Disagree	2 Disagree	3 Neither agree nor disagree	4 Agree	5 Strongly agree

Transit is only appropriate for a very small group of categories.

[1]   [2]   [3]   [4]   [5]

Transit needs to be pitched to clients; they rarely request it themselves.

[1]   [2]   [3]   [4]   [5]

Transit is an after-thought in most media plans.

[1]   [2]   [3]   [4]   [5]

I've had a good experience with transit advertising.

[1]   [2]   [3]   [4]   [5]

Transit's best use is as a supplement to other media.

[1]   [2]   [3]   [4]   [5]

Clients' perceptions of transit media are positive.

[1]   [2]   [3]   [4]   [5]

24

Below is a list of adjectives. Please indicate on a scale of 1-5 how well each of the following adjectives **describes transit media**:

1 Does not describe at all	2 Describes slightly	3 Describes somewhat	4 Describes very well	5 Describes extremely well

Innovative

1 2 3 4 5

Downscale

1 2 3 4 5

Clean

1 2 3 4 5

Complicated

1 2 3 4 5

Effective

1 2 3 4 5

Reliable

1 2 3 4 5

Expensive

1 2 3 4 5

Efficient

1 2 3 4 5

Sexy

1 2 3 4 5

Hip

1 2 3 4 5

Intrusive

1 2 3 4 5

25

Listed below are some characteristics that people have told us are desirable in selecting a particular medium.

For each characteristic, please indicate on a scale of 1-5 how desirable each characteristic is to you.

How desirable is it that a medium…

1 Not at all desirable	2 Slightly desirable	3 Somewhat desirable	4 Very desirable	5 Extremely desirable

has a credible audience measurement system

| 1 | 2 | 3 | 4 | 5 |

has comprehensive demographic data

| 1 | 2 | 3 | 4 | 5 |

offers innovative products

| 1 | 2 | 3 | 4 | 5 |

has the ability to get my creative team excited

| 1 | 2 | 3 | 4 | 5 |

is a good value for the money

| 1 | 2 | 3 | 4 | 5 |

is simple to coordinate and execute a campaign in

| 1 | 2 | 3 | 4 | 5 |

has standardized ad sizes

| 1 | 2 | 3 | 4 | 5 |

has knowledgeable sales representatives

| 1 | 2 | 3 | 4 | 5 |

26

How desirable is it that a medium...

1 Not at all desirable	2 Slightly desirable	3 Somewhat desirable	4 Very desirable	5 Extremely desirable

has reasonable production costs

1	2	3	4	5

delivers exactly what was bought

1	2	3	4	5

is easy to learn and stay on top of

1	2	3	4	5

is flexible on flighting

1	2	3	4	5

can deliver metrics for ROI evaluations

1	2	3	4	5

is easy to execute a multi-city buy in

1	2	3	4	5

offers 24-hour exposure

1	2	3	4	5

can target specific areas or demographic groups

1	2	3	4	5

cannot be "TiVo'd"

1	2	3	4	5

27

Transit advertising...

	1 Does not describe the medium at all	2 Describes the medium slightly	3 Describes the medium somewhat	4 Describes the medium very well	5 Describes the medium completely
has a credible audience measurement system	1	2	3	4	5
has comprehensive demographic data	1	2	3	4	5
offers innovative products	1	2	3	4	5
has the ability to get my creative team excited	1	2	3	4	5
is a good value for the money	1	2	3	4	5
is simple to coordinate and execute a campaign in	1	2	3	4	5
has standardized ad sizes	1	2	3	4	5
has knowledgeable sales representatives	1	2	3	4	5

28

Transit advertising...

	1 Does not describe the medium at all	2 Describes the medium slightly	3 Describes the medium somewhat	4 Describes the medium very well	5 Describes the medium completely
has reasonable production costs	1	2	3	4	5
delivers exactly what was bought	1	2	3	4	5
is easy to learn and stay on top of	1	2	3	4	5
is flexible on flighting	1	2	3	4	5
can deliver metrics for ROI evaluations	1	2	3	4	5
is easy to execute a multi-city buy in	1	2	3	4	5
offers 24-hour exposure	1	2	3	4	5
can target specific areas or demographic groups	1	2	3	4	5
cannot be "TiVo'd"	1	2	3	4	5

29

Place-based advertising...

	1 Does not describe the medium at all	2 Describes the medium slightly	3 Describes the medium somewhat	4 Describes the medium very well	5 Describes the medium completely

has a credible audience measurement system

[1]　　[2]　　[3]　　[4]　　[5]

has comprehensive demographic data

[1]　　[2]　　[3]　　[4]　　[5]

offers innovative products

[1]　　[2]　　[3]　　[4]　　[5]

has the ability to get my creative team excited

[1]　　[2]　　[3]　　[4]　　[5]

is a good value for the money

[1]　　[2]　　[3]　　[4]　　[5]

is simple to coordinate and execute a campaign in

[1]　　[2]　　[3]　　[4]　　[5]

has standardized ad sizes

[1]　　[2]　　[3]　　[4]　　[5]

has knowledgeable sales representatives

[1]　　[2]　　[3]　　[4]　　[5]

30 Billboard advertising...

1 Does not describe the medium at all	2 Describes the medium slightly	3 Describes the medium somewhat	4 Describes the medium very well	5 Describes the medium completely

has reasonable production costs

1	2	3	4	5

delivers exactly what was bought

1	2	3	4	5

is easy to learn and stay on top of

1	2	3	4	5

is flexible on flighting

1	2	3	4	5

can deliver metrics for ROI evaluations

1	2	3	4	5

is easy to execute a multi-city buy in

1	2	3	4	5

offers 24-hour exposure

1	2	3	4	5

can target specific areas or demographic groups

1	2	3	4	5

cannot be "TiVo'd"

1	2	3	4	5

31 Now we're going to ask you a few questions about your **media sales representatives**.

Does the sales person that represents transit media also represent other types of media?

YES   NO

32 Please indicate on a scale of 1-5 how strongly you agree or disagree with the following statements describing your **media sales representative**:

1 Strongly disagree	2 Disagree	3 Neither agree nor disagree	4 Agree	5 Strongly agree

Spends as much time selling me on transit as other media

[1]　　[2]　　[3]　　[4]　　[5]

Is as knowledgeable about transit as other media

[1]　　[2]　　[3]　　[4]　　[5]

Provides sell-in tools and materials for transit that are as effective as those for other media

[1]　　[2]　　[3]　　[4]　　[5]

33 How do you rate **transit sales reps** along the following dimensions compared to sales reps for other media?

1 Worst-in-class	2 Below Average	3 Average	4 Above Average	5 Best-in-class

Takes time to understand my needs and my clients' objectives

[1]　　[2]　　[3]　　[4]　　[5]

Is knowledgeable and prepared

[1]　　[2]　　[3]　　[4]　　[5]

Provides useful demographic information

[1]　　[2]　　[3]　　[4]　　[5]

Provides effective sell-in tools and materials that I can present to my clients

[1]　　[2]　　[3]　　[4]　　[5]

Is reliable for following up after the pitch

[1]　　[2]　　[3]　　[4]　　[5]

Keeps me current on new media options

[1]　　[2]　　[3]　　[4]　　[5]

34 Overall, how satisfied are you with your transit sales representative(s)?

Not at all satisfied	Somewhat satisfied	Satisfied	Very satisfied	Extremely satisfied
1	2	3	4	5

35 Which of the following new media would <u>significantly</u> increase the likelihood of your recommending more transit advertising to your clients?

- ⚪ Glow-in-the-dark displays on rail/bus exteriors
- ⚪ Digital displays on rail/bus exteriors
- ⚪ Digital displays on platforms, in stations
- ⚪ Exterior station wallscapes
- ⚪ Plasma screen TVs in railcars/buses
- ⚪ In-tunnel subway advertising
- ⚪ Blue-tooth enabled posters
- ⚪ None of the above
- ⚪ Other, please specify

36 In general, what could be done to make transit media more attractive to you and your advertisers?

APPENDIX B

Advertiser Interview Guide

October 2, 2007

Image

- What is your image of transit media?
- Does it differ from your image of other OOH media? If yes, how so?
- Who do you think is the target audience for transit media?
- Do you think of transit as a national or local medium?

Media Planning/Purchasing Process

- Do you advertise nationally, regionally/locally, or both?
- How do you purchase media? (in-house vs. agency?)
- What types of media do you [they] purchase [on your behalf]?
- Who selects the different types of media? Can you explain the planning process?
- Do you ever request certain media?
- Do you ever specify that you'd like to use transit or is it recommended to you?
- When you purchase transit, is it part of a package of outdoor media or is it purchased on a standalone basis?
  - Do you make one purchase for the year or purchases on an ad hoc basis?
  - Are the purchases of transit media planned or purely opportunistic?
- Who develops the "creative" for Transit?

Usage of Transit

- Do you have a typical media plan? or does it vary?
  - If it varies, under what circumstances? (probe for different campaign objectives)

- Have you used OOH?
- What percent of your total media spend is allocated to OOH?
- Have you used Transit media? IF **NO,** why not?

  IF **YES:**

- Has your usage changed/increased over time?
- Were you reluctant to try transit? If so, why?
- What percent of your total media spend is allocated to Transit media?
- If you have used Transit, what was the objective of the campaign?
- What do you think are the best applications for Transit?
  - Driver of campaign or supplemental?
  - Build/extend reach or frequency?
  - Launch of a new product?
  - "Heavying up" in a certain geography?

Attributes/Benefits

- What are the benefits of transit?
- Do the benefits differ from other OOH media? What about BB?

Barriers

- What do you see as obstacles for using transit media on a larger scale or more frequent basis?

Metrics/Measurement

- How important are metrics in selecting media?
- Are you feeling increased pressure internally to measure your media effectiveness?

- In your current media mix, how much of it do you currently measure?
- Do you feel your current media mix is effective?
- Would your usage of transit media increase if a measurement system was established?

Satisfaction with Transit

- How confident are you that transit delivers impact for your business? (more or less than with other media?)
- Did it meet your expectations or fall short?
- Did you see an impact on your business/organization?

New Media

- How has digital advertising changed your media choices, if at all?
- Do you generally look for innovative/non-traditional types of media for your advertising needs? or do you tend to stick w/ more traditional media?
- How much of your media budget is spent on new media?
- How much has that increased over the years?
- What new media formats in transit are you aware of?
- Are any appealing to you?

Satisfaction with the Sales/Purchasing Process

- How do you learn about transit media?
- Are you ever approached by advertising sales contractors or the transit agencies themselves?

  IF YES TO ASCs:

- How satisfied are you with the sales representative presenting transit?
- Are the benefits of the medium clear to you?
- How do they compare to other media sales reps?

Competitors of Transit

- What else did you consider doing with the budget you spent on transit?
- Do any of the new outdoor media threaten to take the place of transit in your plan?

Other

- What are the top 2-3 marketing challenges or concerns you face as a marketer in your company today?

A P P E N D I X C

Advertising Sales Contractor Interview Guide

July 2, 2007

- How do you explain the current growth in transit advertising sales?
- Is it more attributable to growth from national advertisers or from local advertisers or both?
- Which group is responsible for driving the largest $volume of transit ad purchasing by advertisers:
  - The media divisions of the giant media companies?
  - Independent media planning & buying agencies?
  - The direct sales activities of the ad sales contractors?
- How do you/your sales force get customers excited about transit?
- How much do you agree/disagree that each of the following is an obstacle to greater transit ad sales:
  1. Lack of media effectiveness measures
  2. Lack of attention/aggressiveness on part of TA to:
     - Try new things
     - Put a high ranking person in charge so decisions can be made
     - Have a commercial mindset in all decisions (e.g., bus design)
  3. Inconsistency of product from 1 market to another
     - Bus vs. bus + train
     - Primary audiences of the routes
     - Clean vs. poorly maintained
  4. Selling tools falling short
     - No circulation numbers
     - No all-route visual
     - Guides explaining all the products, showings, etc. not good enough (it's a technical sell)
  5. Sales effort sometimes not completely and exclusively focused on transit
  6. Poor quality of display venues/environments
  7. Lack of understanding of medium among media planners
  8. Lack of product news, excitement
  9. High minimum guarantees in contracts that preclude additional sales people, capital investment
  10. (RESULT of WEAK DEMAND) price points hard to maintain for transit, especially since it is often bundled with other media just to move it
  11. Lack of relationship between sales contractor and TA
  12. Advertiser perceptions (or expected perceptions on the part of the media planner) that transit media is seen only by the (downscale) riders of public transportation

APPENDIX D

Media Planner Pre-Survey Interview Guide

June 6, 2007

- Are your clients primarily national advertisers, regional or local advertisers, or both?
- Have you ever/Do you currently recommend transit advertising to clients?
- How many cities constitute a national buy, generally?
- What are your general perceptions of transit advertising? How have your perceptions changed in the past two to three years?
- Do you ever recommend transit as a standalone? Or is it mostly offered bundled with other media? Is it bundled always with other OOH media?
- Do you see any advantages to transit relative to billboards?
- Which media are substitutes for transit media? Or— which other media are in the same consideration set as transit media?
- How strongly do you agree or disagree with the following statements (*a sample list*):
  - "I don't know enough about transit media to make me comfortable recommending it to clients."
  - "I'm not comfortable recommending transit because there are no measurements to make the case for effectiveness and efficiency."
  - "Transit is a downscale venue—unless you want to risk damaging your brand image, I wouldn't recommend using it."
  - "Transit advertising is not as efficient as most media."
  - "My clients want national buys—transit is not national."
  - "Clients typically reject transit because of the production costs involved."
  - Other perceptions of Transit: Write in _____
- For what types of advertisers and situations do you feel transit media are appropriate?

- For what types of advertisers and situations do you feel transit media are *in*appropriate?
- How does a transit campaign compare in price to campaigns in other media?
- *Recommenders:*
  - What are the reasons you have chosen to recommend transit media?
  - What other media did you consider as alternatives?
  - How do you "pitch" transit media to clients?
  - Can you envision making transit media a more significant part of the media mix for clients?
  - In situations in which transit advertising is appropriate, but you have still not recommended it, what prevented you from doing so?
- *Non-recommenders:* What are your reasons for not recommending transit media?
- Who influences your decision to recommend/not recommend transit media?
- What could transit media sales reps provide that you would find helpful and supportive of including transit in your media recommendations?
- What criteria do you use to evaluate various media in your selection process?
- Which media are typically recommended instead of transit?
- Are you confident of your creative department's ability to develop creative for transit?
- *Among transit media recommenders:* How satisfied were you with how transit media performed for your client?
- For you to recommend transit media/recommend *more* transit media, what would have to be different about the medium?
- What are some new media with which you are familiar?
- What are your perceptions of these new media?

A P P E N D I X   E

Transit Agency Survey

July 2007

Please provide the following information.

Name_____

Position_____

Transit Authority_____

Please describe any initiatives you have undertaken to increase your advertising sales, e.g., adding new advertising space (like bus shelters) or approving new products (like full wraps)

What obstacles do you see to selling more transit advertising? In other words, what is keeping advertisers from buying more or sales contractors from selling more?

Please state specific ideas you have for increasing advertising sales.

Please describe your experience with so-called new media. What have you tried, and was it successful? Why or why not?

In general, are you in favor of trying new media? If yes, but only under certain conditions, please specify what those conditions are. If not in favor, please explain why not.

Please provide the *total* advertising sales dollars generated through your ad space for the past six years. *(Note: Please use the total sales amount, i.e., not just what the transit agency received.)*

Please provide advertising sales dollars generated from **national** advertisers. Enter "0" if you sold *no* advertising to national advertisers. If the numbers are not available, please enter an approximate percentage (e.g., 5%). If you have no idea, enter "NA."

Who is/are your advertising sales contractor(s)?

If there were one thing you could change about how transit advertising is managed within your Transit Authority, what would it be?

If there were one thing you could change about your advertising sales contract(s), what would it be?

Do you see any opportunities for APTA to help your Transit Authority increase its advertising sales? If so, please describe.

Abbreviations and acronyms used without definitions in TRB publications:

AAAE	American Association of Airport Executives
AASHO	American Association of State Highway Officials
AASHTO	American Association of State Highway and Transportation Officials
ACI–NA	Airports Council International–North America
ACRP	Airport Cooperative Research Program
ADA	Americans with Disabilities Act
APTA	American Public Transportation Association
ASCE	American Society of Civil Engineers
ASME	American Society of Mechanical Engineers
ASTM	American Society for Testing and Materials
ATA	Air Transport Association
ATA	American Trucking Associations
CTAA	Community Transportation Association of America
CTBSSP	Commercial Truck and Bus Safety Synthesis Program
DHS	Department of Homeland Security
DOE	Department of Energy
EPA	Environmental Protection Agency
FAA	Federal Aviation Administration
FHWA	Federal Highway Administration
FMCSA	Federal Motor Carrier Safety Administration
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
IEEE	Institute of Electrical and Electronics Engineers
ISTEA	Intermodal Surface Transportation Efficiency Act of 1991
ITE	Institute of Transportation Engineers
NASA	National Aeronautics and Space Administration
NASAO	National Association of State Aviation Officials
NCFRP	National Cooperative Freight Research Program
NCHRP	National Cooperative Highway Research Program
NHTSA	National Highway Traffic Safety Administration
NTSB	National Transportation Safety Board
SAE	Society of Automotive Engineers
SAFETEA-LU	Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (2005)
TCRP	Transit Cooperative Research Program
TEA-21	Transportation Equity Act for the 21st Century (1998)
TRB	Transportation Research Board
TSA	Transportation Security Administration
U.S.DOT	United States Department of Transportation