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Out of Home Marketing

How to beat Facebook with Billboards: The Playbook



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Special Thanks.

Marketing to marketers about marketing is the best job in marketing.

With that comes the opportunity to work with the best of the best and this case study is the culmination of a lot of hard work, from a lot of people. To everyone who made this possible - thank you. Thank you for being Mavericks and maintaining your always ready willingness to challenge established beliefs in pursuit of excellence.

To Harry Hawk, my friend and primary co-conspirator on this test - a very special thank you for all of your help. You're a master of your craft and this story is as clear as it is because of you.

Here's to knowing the rules just for the sake of breaking them.

— *Tim from Marketing*

Foreword with Sam Mallikarjunan

Over the last decade, I've invested more than \$100,000,000 in advertising on the internet.

During that time, I only bought a billboard once.

I was leading the team at Hubspot Labs and Hubspot had just launched their CRM tool so we bought a billboard outside the Salesforce office. I'd love to tell you it was part of some well-thought-out, integrated campaign, but it wasn't. Now, as ad costs continue to rise online, as ad fatigue continues to soar, and as the adoption of ad blockers reaches critical mass amongst Gen Z and Millennials, marketers are caught between the proverbial rock and hard place.

It used to be that marketers were the kids in the corner with crayons. During the early days of the internet, those kids with crayons grew up to be alchemists, blending equal parts art and science. Now, that pendulum has overcorrected. Crayons have been replaced by CSV files, pivot tables, and conditional formatting. Now, we squeeze out every last fraction of a percentage of optimization and wait for the next shiny new thing to come along. Bad news - there are no more shiny new things coming. The good news is that something even greater is coming. In fact, it's already here if you'd like to take part.

Marketing is going through a renaissance, a return to old. As attention online becomes increasingly overpriced and less effective, marketers are dusting off that old bag of tricks to blend the new and old, but we've become conditioned to only deploy ad dollars where they are targeted and measurable.

Thus, we must cross the chasm to connect media you can't measure with media you can.

Admittedly, the findings of this case study shocked me. It was logical to assume that there would be a measurable impact when combining Facebook with Out of Home advertising (specifically, billboards) but the results far exceeded our expectations.

My hope for you from this playbook is that it becomes a permission slip to get back to doing good marketing. So, print it out. Email it to a colleague. Please, share it with other marketers who can benefit from getting back to what we're best at - disruption the status quo and making people take notice in a meaningful way.

To health, happiness, and good marketing.

Cheers,



CEO of OneScreen.ai

How it Started

In 2019, Facebook published a case study titled *Maximize Reach With Out-of-Home and Facebook Campaigns in EMEA*. In it, Facebook set out to explore the efficacy of combining Facebook and Instagram ads with Out of Home advertising. Could brands unlock additional performance from their ad dollars if they combined online and offline advertising in a way that created a 1 + 1 = 3 outcome?

Facebook knew from previous tests that combining television ads with paid social media marketing led to increased reach and higher sales, but a TV is a TV. TV advertising is not Out of Home advertising.

What the case study went on to discuss though was how effective the combination of Facebook ads with Out of Home advertising was for them. Facebook found that the combination was 13% more effective than Facebook ads alone and it wasn't just generally more effective, it was more effective with the hardest audiences to reach.

As it turned out, the combination of Facebook and Instagram ads with Out of Home advertising was especially effective at reaching Generation Z and Millennials.

Why does that matter?

That means they've got money to spend, places to spend it, and they absolutely do not want you interrupting their digital experience. So then, what's a brand to do?

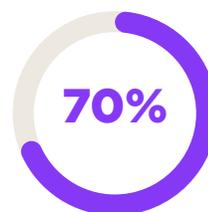
You've got stuff to sell and people to sell to, but they're tuning out.

How do you reach such a valuable audience, that are digitally native, and are the least likely to engage with your ads online? By reaching them offline.

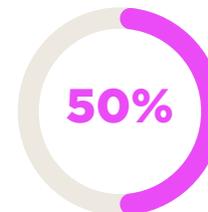
But Out of Home isn't as cut and dry as television advertising and can mean a lot of different things to a lot of different people.



Gen Z + Millennials = \$3,000,000,000,000 (that's trillion) in buying power.



70%
of Gen Z report skipping video ads online



50%
52% of Gen Z report using ad blockers online

Defining Out of Home

To understand Out of Home advertising, it's best to think of it broken down into two categories:

1. Place-Based Media
2. Traditional Outdoor Media



1. Place-Based Media

According to Kantar Media, “Place-Based Media” includes numerous formats like:

- Airport: Wall dioramas, clocks, posters and kiosks.
- College Campus/School: Display racks, bulletin boards, sponsored TV ads and college magazines.
- Indoor: Billboards in the restrooms of restaurants, health clubs, arenas, movie theaters and night clubs.
- In-Flight: Magazine binders, in-flight movies, seat backs and disposal bags.
- In-Store: Shopping carts, store shelves, clocks, audio and checkout coupons.
- Shopping Mall: Kiosks and wall displays at shopping malls.
- Stadium/Arena/Sports Team: Wall displays, scoreboards and programs.
- Truckside/Truckstop: Display panels on sides, rear, front of trucks. Display signage at truck stops and interstate travel centers.
- Event Marketing: Special events, promotions and product sampling/demonstrations.



2. Traditional Outdoor Media

Kantar goes on to describe “Traditional Outdoor Media” as formats like:

- Aerial/Inflatables: Balloons, blimps, skywriting and banners.
- Bus Shelter: Backlit displays and posters.
- Digital Media: Advertising on mobile telephones or wireless PDAs.
- Mobile Advertising: Mobile billboards on trucks.
- Outdoor: Billboards including posters, bulletins and painted walls.
- Sampling/Street Teams: Product sampling at high-traffic venues/locations.
- Telephone Kiosk: Printed displays on free-standing public telephone enclosures.
- Transit: Commuter transit platforms, trains and buses.
- Vehicle Wraps: Integrated mobile advertising that often incorporates staffing, routes or timing, or sampling into client programs.

The Jump to Conclusions Mat

To understand the case study, we'd have to figure out what Facebook meant by Out of Home advertising. As you can see, it can be everything from a billboard to a bus shelter and the case study does not define what Facebook actually did.

Was it a billboard? Was it a bus shelter? A wrapped vehicle? We had no idea because they never actually mentioned it.

What we did know was that the case study made reference to a remarkably high ad recall rate amongst adults 18+. Facebook noted that "more 70% of people age 18 and older in the UK say they notice an OOH ad at least once a week".

A quick Google of that statistic turned this up:



As it turned out, there were a few different organizations citing this statistic for various reasons, but the two most prevalent are the ones that got our attention.

- 1 Facebook + Out of Home = Higher ROI (13% more effective than Facebook alone)
- 2 Billboards may be undervalued

The implications, if validated, meant that marketers may not need to increase ad budgets to get more of the results they desire. They may not have to optimize until their brain and fingers go numb. If we could figure out what Facebook did, marketers could unlock unrealized value from their existing ad spend by optimizing allocation instead of ad copy.



To use an emoji or not to use an emoji, that is the question.

-William Shakespeare



One Big Problem

Remember those two lists from earlier that outlined all the different types of media that make up Out of Home advertising? Well, there isn't just one company that does all of those things. In fact, there are hundreds of little companies all doing some parts of all of those things.

And if that isn't challenging enough, there isn't a centralized platform where they all exist and there definitely isn't a plug and play platform that also integrates all of it with your Facebook Ad Account, so that you can easily, and quickly, deploy campaigns in the real-world.

We had our work cut out for us, so we broke it down into its core components.

We knew we'd have to:

- 01.** Identify a market with adequate billboard coverage that we could afford and be able to buy it with the click of a button (just like Facebook ads).
- 02.** Capture the audience segment that potentially saw our billboards (i.e. drove past them).
- 03.** Pass that captured audience directly to our Facebook and Instagram ad campaigns.
- 04.** Successfully serve ads to those people and determine if it had "worked".

If we could get all of that to work, then we'd have to be specific about #4 in how we determined what "it worked" actually meant.

The best way to perform a test like this is with a control audience - people who didn't see the billboard. That'd be easy, just pick a city far, far away from the billboards. But to do it right, we'd have to account for population size and distance from the city where the campaign was running while still controlling for similar behaviors and demographics of the audience we would later target as our control.

To do that we'd have to:

- 01.** Find a city of similar population.
- 02.** Create a Lookalike Audience of the audience we captured from our billboards.

By creating a Lookalike Audience, Facebook finds people with similar behaviors and interests as the people who potentially saw our billboards. This would mean we were testing two similar audiences, behavior-wise, with the only difference being that one audience had the opportunity to see our billboards and the other definitely did not.



The plan was hatched.

We'd reverse engineer the Facebook case study and build the platform for ourselves along the way so that in case we discovered Atlantis, we'd be able to take marketers on a guided tour and empower them to do the same thing.

A Big Problem Gets Worse

Around the same time that this case study came out, another case study was released. Except this one wasn't released by Facebook, but it was about Facebook. LiveIntent interviewed 1,000 social media marketers who spent at least \$100,000/mo.

What they found was alarming:

- Cost of Facebook ads continue to rise - CPM's up 90% YOY.
- The rising cost of ads is a concern for 85% of social media marketers.
- 42% of brands reported ad fatigue was decreasing campaign performance.

More expensive? Less effective? Fear of being priced out? Let's recap real quick before we start our climb.

A quick recap

If we were reading the tea leaves correctly, it would seem that if we could successfully reverse engineer the Facebook case study, that we could solve a lot of challenges for marketers and digital marketing platforms.

01

Facebook Ads + Out of Home
= 13% more effective than
Facebook Ads alone

02

Out of Home, specifically
billboards, are undervalued and
have high ad recall

03

Social Media Marketers are
spending more than ever,
for declining results



Launch in 3...2...1...

As with every good adventure, they all start by taking the first step.

So, we launched a network of 12 digital billboards in Orlando, Florida. We collected the Mobile Ad ID's (MAIDs) of people who drove past the billboards and plugged that audience into our Facebook Ads Manager, and deployed a Facebook and Instagram video ad strategy designed to drive ad recall up and cost per result down. The audience was updated every 24 hours, so we knew this campaign was as close to real time as possible.

Our control audience, because of similar population size and little to no chance of seeing the billboard campaign, was Irvine, California. We created a Lookalike Audience, like we mentioned earlier, to model the people we were targeting in Irvine to be as similar in behavior to the audience we were targeting in Orlando with our billboards.

Both audiences would receive the same video ad campaigns, and we would measure for any distinct differences in response rate and overall performance to those Facebook and Instagram ads.

Our budget for this entire test was \$2,694.75.

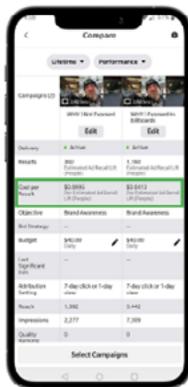
Here are the receipts: \$1,715.69 on our Orlando digital billboard campaign and \$1,186.43 to run campaigns to the Orlando billboard audience and our control audience in Irvine.

The Nuts and Bolts

The campaign was to promote our new eBook: QR Code Marketing - Enhancing the Customer Journey and the goal was to test for Facebook's Estimated Ad Recall Lift.

Sometimes referred to as EARL, by optimizing for Estimated Ad Recall Lift, we were telling Facebook's algorithm to show the ads to the people most likely to remember seeing them.

From there, Facebook would report on what it would cost us to reach the people most likely to remember our ads if surveyed two days later.



What we found shocked us

The first place we saw results was in the cost to deliver 1,000 impressions (CPM). It was **72.2%** less expensive to reach the audience that saw the billboards, on Facebook and Instagram.

That's the difference between something costing **\$1** or **\$.28**.

Assuming you like getting more for your money, if all other things are equal, it becomes a pretty easy decision to make about where your ad dollars are best invested to be the most effective.

Now that CPM didn't include the cost of the billboards, so we normalized for budget and frankly, the results became even more shocking.

Typically, the cost per thousand impressions in Out of Home is significantly less than Facebook or Instagram ads. That isn't always the case and pricing can range wildly from a rural, country road billboard to being in Times Square for New Year's Eve, but for the most part billboards should decrease the overall CPM of any digital marketing campaign.

Our total campaign budget was \$2,694.75 and here's how that broke down:

- Orlando - Billboards (OOH) + Facebook budget = \$2,213.79
- Billboards were \$1,715.69
- Facebook was \$498.10
- Irvine - Facebook Only = \$480.96

What allocation is most efficient?

Therefore, the question we would have to answer was - "is \$2,213.79 best spent on strategy A) Facebook + Billboards (OOH) or strategy B) Facebook ads only?"

Here's a breakdown of the CPMs:

\$1.97

Billboard CPM

\$5.98

Facebook CPM
(with billboard audience)

\$2.32

Blended CPM
(FB/IG + OOH)

\$15.82

Facebook CPM
(audience did not see billboards)

Put in other words, to get the same number of impressions from a Facebook only campaign, you'd have to spend **\$15,095**. Yeah, you read that right. You'd have to spend **6.81x** more for the same results with a Facebook only campaign.

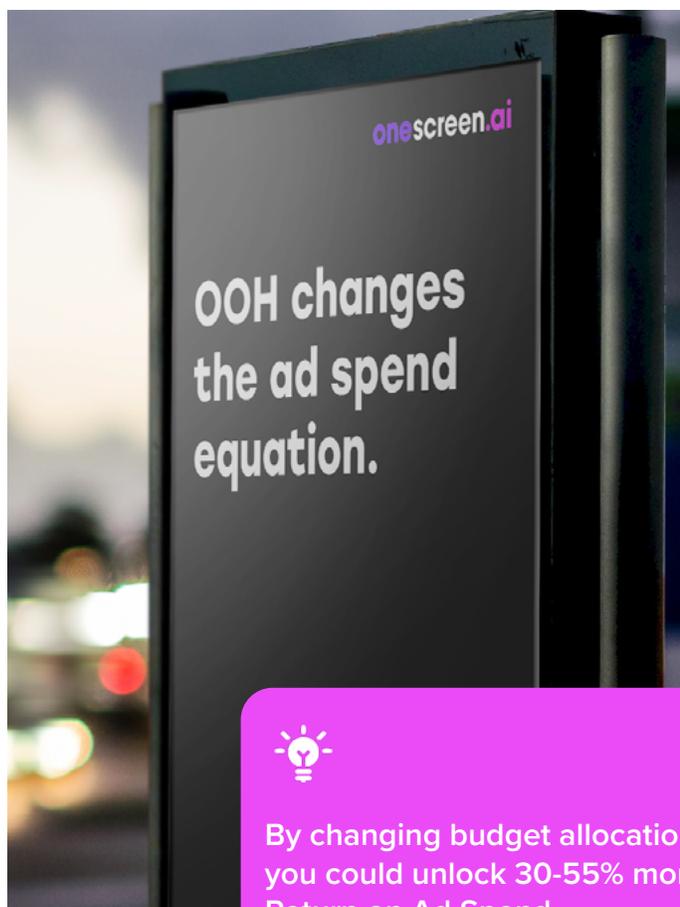
The implications.

If these early indications of synergy held, it'd be game changing.

It would mean that disruptors could disrupt any category, or any market, at scale, with 1/5th of the budget. Don't have huge budgets? \$20K suddenly acts like \$100K. Have a huge budget? Go hammer down and take over, for good.

It would mean that by changing budget allocations from 100% Facebook/Instagram, to 50% Out of Home and 50% Facebook, that you could unlock 30-55% more Return on Ad Spend without spending even a single penny more than you already are.

Remember that LiveIntent study from earlier? The one where the world's top spending social media marketers feared being priced out of paid social advertising altogether? It would mean that you wouldn't have to worry about that problem anymore. That it would just disappear, and you'd be able to predictably scale customer acquisition while building brand equity.



By changing budget allocations you could unlock 30-55% more Return on Ad Spend



Comparing Cost Per Result

Here is where we measured for EARL (Estimated Ad Recall Lift) or the cost to serve ads to people who would remember us two days after seeing our ads aka “how memorable are we?” It matters because you want your advertising dollars to have residual impact. You don’t spend money for the sake of spending money, you want results and cost per result should come down if you’re building brand equity. For the audience who saw the billboard, the cost per result was 52.4% less expensive than the audience who did not see the billboard. Put another way, our campaign was twice as memorable when combined with billboards. Twice as memorable. Two times more effective. However you want to say it - it sure looked like it was working in a BIG way.

Campaign Name	Cost per Result
WHY Exposed to billboards	\$0.20 Per Estimated Ad Recall...
WHY Not Exposed	\$0.42 Per Estimated Ad Recall...

Let’s pause for a moment because again, the significance of the implication here is that you can spend less to get more. Or spend the same as you have, but allocated differently, to potentially unlock additional returns you never knew were possible.

If you could instantly double how much money you make tomorrow, without doing more work, would you? It’s like that.



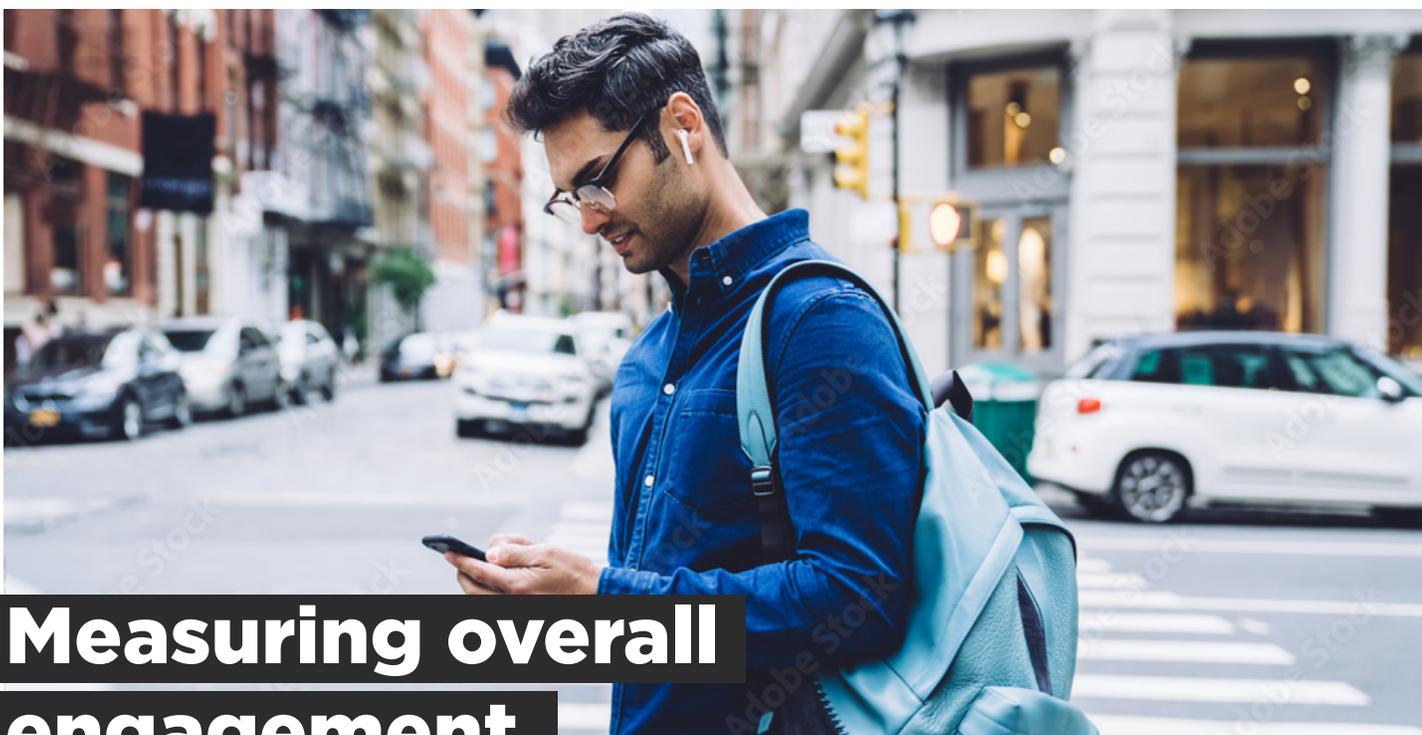
Comparing cost per click

Things got interesting when looking at the cost per click (CPC). Like the other metrics, this one surprised us too but for different reasons. In the case of CPC, the audience who did not see the billboards was 26% more likely to click on our ad but at a cost per click more than double than from the audience who saw the billboards.

For every 4 clicks from our billboard audience, it would mean the non-billboard audience would tally 5 clicks but our cost for 4 clicks with the billboard audience would only cost us \$8 compared to \$16.60 for 4 clicks from the audience who didn’t see the billboards.

Campaign Name	CTR (All)	CPC (All)
WHY Exposed to billboards	0.30%	\$2.00
WHY Not Exposed	0.38%	\$4.15

Note: CTR was the only key metric where the audience who did not see the billboards outperformed those who did and while it did outperform, the CPC was more than double.



Measuring overall engagement

Video ads continue to dominate as the leader in ad format across every major platform, so we put our best foot forward with some helpful video ads that gave more insight around QR Code marketing.

If the results we were seeing in our CPM, CPC and EARL were to be validated, there had to be one more measure to consider - overall engagement with the ads themselves i.e. how likely is someone to actually watch the videos.

- We were getting **85.4%** more, dollar for dollar, with Facebook + Out of Home
- Our cost per result was **52% lower** with Facebook + Out of Home
- The cost per click was **\$2 vs \$4.15** with Facebook + Out of Home

But were people consuming what we wanted them to learn thru our video ads? We knew they were going to remember us, but we wanted them to get value too.

Campaign Name	Video Plays at 50%	Video Plays at 75%	Video Plays at 100%	Video Plays
WHY Exposed to billboards	679	381	254	65,505
WHY Not Exposed	293	151	91	24,765

The audience who saw the billboards was **17% more likely to watch one of the videos to completion as compared to the audience who did not see the billboards.**

What about the iOS 14 updates and Apple devices?

One of the most frequent questions we are asked about this plug and play strategy is “how do the Apple iOS 14 updates effect this?”

Here’s what we found:

1. We successfully collected iOS devices that passed our billboards, lots of them
2. We successfully matched those devices in Facebook, about an 80% match rate
3. We successfully delivered ads to lots of Apple devices, in fact it was about 50% of the ad delivery on Facebook and Instagram

You can see the platform and device delivery report from Facebook Ads Manager below.

Ad Set Name	Results	Reach	Impressions	Cost per Result	Amount Spent
WHY Dynamic B	2,050 <small>Estimated Ad Rec...</small>	14,746	40,883	\$0.12 <small>Per Estimated Ad ...</small>	\$242.83
Facebook Device: Android Smart...	830	6,131	15,874	\$0.11	\$92.52
Facebook Device: Android Tablet	10	72	126	\$0.09	\$0.88
Facebook Device: Desktop	60	433	887	\$0.10	\$5.80
Facebook Device: iPad	60	401	774	\$0.08	\$4.95
Facebook Device: iPhone	1,030	6,904	19,770	\$0.12	\$122.72
Facebook Device: Other	—	—	6	—	\$0.03
Instagram Device: Android Smart...	60	649	1,043	\$0.08	\$4.98
Instagram Device: Android Tablet	1	5	5	\$0.03	\$0.03
Instagram Device: iPad	1	12	29	\$0.15	\$0.15
Instagram Device: iPhone	130	1,350	2,369	\$0.08	\$10.76
WHY Dynamic A	2,030 <small>Estimated Ad Rec...</small>	15,191	42,361	\$0.13 <small>Per Estimated Ad ...</small>	\$255.27
Facebook Device: Android Smart...	800	6,133	16,328	\$0.12	\$97.19
Facebook Device: Android Tablet	10	68	121	\$0.07	\$0.69
Facebook Device: Desktop	70	545	1,069	\$0.10	\$6.99
Facebook Device: iPad	70	485	806	\$0.07	\$4.97
Facebook Device: iPhone	1,030	7,135	20,421	\$0.12	\$127.96
Facebook Device: Other	1	4	7	\$0.04	\$0.04
Instagram Device: Android Smart...	70	717	1,139	\$0.08	\$5.79
Instagram Device: Android Tablet	1	4	4	\$0.02	\$0.02



Good marketing isn't just
marketing **that works**, it's
marketing **that does good** too.

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Declaring Success

Most case studies end here, if they even get this far. Rather than rest on our laurels, we're moving on to test the best parts of this campaign in an all-new market and compare its performance against a whole-new control market. In fact, as I'm writing this, that campaign is being launched.

The billboards have just gone live in an all-new marketing with updated and improved creative.

The audience passing the billboards is being collected and ready to feed into Facebook.

Our best performing headlines, descriptions, and videos are all ready to launch.

For us, 'success' is defined by helping other brands to deploy this exact strategy for themselves. To, for once and for all, give marketers permission to do good marketing again.

Good marketing isn't just marketing that works, it's marketing that does good too. Out of Home advertising is made up of thousands of small businesses. Entrepreneurs, generational family businesses, and outsiders like us. Out of Home is not big tech, so your ad dollars go to funding the things that small businesses fund. They sponsor softball teams, employ our neighbors, and add value to our communities at the most local levels. Ad dollars in the real-world don't fund hate speech or body shaming, and they don't invade your privacy.

If you're interested in learning more about how you can use this strategy for your brand, feel free to send me an email at tim@onescreen.ai.

Until next time,

Tim from Marketing

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