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ADVERTISING

Away From Home, TV Ads Are Inescapable



George Ruhe for The New York Times

A 60-inch plasma video screen showing the deals of the week at the Westfield Mall in Trumbull, Conn. Adspace Mall Networks, a company specializing in video ads, operates monitors in the mall's public areas.

By LOUISE STORY

AS if Americans do not already watch enough television, there are digital TV networks popping up on screens in groceries, office buildings, retail stores, on gas pumps, and just about every place imaginable.

Advertisers increasingly want to reach consumers outside of their homes in places where they cannot avoid ads. TV screens in shops and malls display ads to people when they are closest to their wallets, and some advertising executives think point-of-purchase advertising may yield the highest increase in sales.

"People aren't thinking about toilet cleaner during the Super Bowl," said Stephen Diorio, a partner at Profitable Channels, a marketing company based in Westport, Conn. "But when they're waiting in line at the supermarket, thinking 'did I get everything on my list,' that's probably the one time they want to think about it."

As advertisers grow more interested in these so-called place-based video screens, retailers and companies that manage the networks are developing national standards for buying and measuring such ads. Stores like [Wal-Mart](#) and Albertsons encourage advertisers to think of their real estate as an advertising medium and their shoppers as viewers.

There are at least 37,000 shops, offices and health clubs across the country that broadcast ads on TV screens, according to Profitable Channels. The screens are in thousands of stores like CompUSA, [Best Buy](#), Borders, [Foot Locker](#) and [Target](#). They are also in 20 percent of all groceries and 11 percent of all office buildings, according to Profitable Channels. Generally, the stores share in the ad revenue with an outside partner who manages the ad sales.

Advertisers seeking to buy space on the place-based TV networks are finding many opportunities.

"There's constant news about different retailers in different markets deploying different screen networks," said Jonathan Dodd, global director of strategy and retail communications for G2 Worldwide, a partner company with the Grey Group of Companies in the [WPP Group](#).

New companies like MediaCart, which sells ads on screens on grocery carts, are popping up, and older companies offering the digital networks are finding more places to deploy every year.

The Wal-Mart TV Network now includes more than 125,000 screens in 2,850 Wal-Mart stores. Wal-Mart's screens are managed by the PRN Corporation, a unit of Thomson that also sells ad space in stores like Best Buy and Circuit City.

In the last two years, PRN has installed 35,000 screens in 1,000 locations as advertiser interest has grown, said Mike Quinn, senior vice president of research and marketing for PRN. The company generated \$150 million in sales last year, he said, three times the amount in 2001.

(Turn Over)

AccentHealth, a company in Tampa, Fla., owned by Discovery Holding, has TV screens in 10,800 doctor offices across the country. The screens show CNN health programs with Dr. Sanjay Gupta and Robin Meade, but they also show ads directed at patient.

“You reach a very targeted audience,” said Edith Hodkinson, senior vice president of sales and marketing for AccentHealth. “They’re just about to talk to their doctor, and it’s a very credible advertising environment.”

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Some store screens show ads for products not related to the merchandise. The In-Store Sports Network run by MediaPlace, for example, includes about 2,000 screens in stores like Foot Locker, but the majority of ads are not for sports products. Rather, advertisers like fast-food chains and movie studios buy time on the network to reach a young male audience, said Scott Kushner, the chief executive of the company.

Traditional TV networks are also using the screens to reach consumers. NBC Universal pays to have its shows on screens installed in office building elevators by Captivate Networks, which is owned by the [Gannett Company](#).

“It’s what we call 360 marketing,” said John Miller, chief marketing officer of NBC Universal Television Group. “Our air is most valuable, but we try to buy where the customers are, whether it’s in the home or out of the home, in order to expose them to our shows.”

NBC programs also appear on gas pump screens and on some of PRN’s in-store screens. And United Airlines pays NBC a small licensing fee to show its programs during flights, Mr. Miller said.

Some companies, like Monster Media, based in Orlando, Fla., and Reactrix, based in Redwood City, Calif., are using projection systems rather than TV screens to beam their messages onto floors and walls.

1-800-Flowers ran ads using Reactrix floor projections in 132 malls last month in part because the company wanted to catch consumers in a shopping mood, said Steve Jarmon, the flower company’s vice president of brand communications. The floor ads for 1-800-Flowers showed rose petals that moved as people waved their hands over them.

Unlike traditional TV networks, however, out-of-home networks do not have industrywide measurement systems for checking whether ads have run and whether they were effective, ad executives said.

“The store up until this point has not been a measured medium,” said Dina Howell, general manager of marketing within global operations at [Procter & Gamble](#). “We have not been able to build a media plan for the store.”

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Some groups are emerging to provide such data.

The In-Store Marketing Institute, a trade group based in Skokie, Ill., and a group of advertisers like Procter & Gamble, Miller Brewing and [Coca-Cola](#), have hired the Nielsen Company to develop a system to count how many people see ads in drugstores, groceries and mass retailers like Wal-Mart. Nielsen plans to have tracking ability widely available by 2008.

Last month, Captivate joined with PRN, Adspace Networks and seven other out-of-home networks to create the Out-of-Home Video Advertising Bureau, a group that plans to create standards for selling ads on place-based networks, so that ad agencies can compare viewership across these new networks.

Marketers say that standardizing data could lead to much more advertising on the out-of-home screens.

“You could feasibly create a market for the buying and selling of this kind of advertising that is as coherent and efficient as television advertising,” said Bill Bean, director of trade insight at Miller Brewing.

Shoppers at the Westfield Mall in Trumbull, Conn., said they did not mind the ad screens that lined the halls of the mall. The screens show commercials for Geico and local car dealerships as well as promotions for products sold at the mall.

Michelle Nelson, 33, said her children loved the screens in the mall. “If it’s showing a preview for a movie they want to see, I can’t get them away from it,” Ms. Nelson said.

Mike Ragozzine, a 24-year-old from Shelton, Conn., said he did not mind the screens in the mall because they entertained him when he was bored. Sometimes, he sits on the benches at the mall and watches the ads, he said.

Still, he said the mall should not add any more screens.

“If I was standing here and I could see four screens, that would probably be too many,” Mr. Ragozzine said.