



Outside Thinking: Dominick Porco, AdSpace Networks

Marshall McLuhan once said the medium is the message, but at certain times and in certain locations, advertising may in fact be the message that people really want. At least that's what Dominick Porco believes. Porco isn't a famous media ecologist. He is a scrappy media entrepreneur who spent years on the sales promotion side of the media business, before he realized that advertisers might be missing out on an opportunity to influence consumers at what arguably may be the most important moment of their brand selection process: when they're in a store getting ready to buy something. And the kind of shoppers Porco is most interested in, are the ones who frequent the Mecca of all American shopping experiences: the mall. So after spending years at News Corp.'s News America Marketing unit, Porco joined AdSpace Networks, operator of the AdSpace Mall Network, the largest in-mall digital video network in the United States.

Now in its tenth year, the network consists of 65-inch plasma screens mounted in eight-foot panels in the most highly trafficked areas of shopping malls in 39 of the top U.S. media markets. But what distinguishes AdSpace most may not be its displays, or its locations, as much as it is the type of content it distributes.

"The main differentiator that we at AdSpace bring, is that we are really focused on relevant content," Porco explains. "And what we mean by relevant content is that it's content that is meaningful at the point of contact. And whatever that consumer is doing and thinking, is content that would not be relevant at any other moment."

And what might mall-goers find most relevant while on their shopping excursions? According to Porco, it's information about the best deals on products located inside shopping malls.

"It's a contextual experience," he explains, drawing an analogy between shopping malls and online search. "Search advertising is so effective because it is so relevant at that point of contact," he says. "It is information consumers are seeking out to help them with their shopping experience."

The core of AdSpace's programming might well be programmed by a Google algorithm, except that it is actually processed by scores of AdSpace employees who cull information on the best deals being offered by the top retail marketers in shopping malls nationwide.

The program is called "Today's Top 10," and while it won't rival Fox's "American Idol" in terms of Nielsen ratings, it is proving so effective at driving shoppers into retailers that they frequently complain about selling out too quickly.

“Each week, we cull through as many as 650 offers submitted to us from retailers all over the United States vying to be among the top 10 offers in the mall,” Porco explains.

“We’re in 105 malls right now, so we do 10 for each mall, which means we are evaluating 1,050 offers each week. It is a very time-consuming laborious process. We do that because we’ve interviewed over 6,000 consumers, and every time we ask them, the majority — more than 80% of them — say the information they most want to have is what the best deals are in the mall.”

Porco said AdSpace had considered and rejected conventional video entertainment, news and weather highlights programming — the kind that are common content on other out-of-home video networks — but in the end opted for the shopping information because it is most relevant to consumers when they are in the mall.

“They don’t want to watch traditional TV in this environment,” Porco says.

Given this type of programming model, you’d think that AdSpace sells its advertising inventory — 11 15-second ad units per six-minute programming loop — to mall retailers, but it doesn’t. The “Today’s Top 10” programming is free to any retailers that legitimately qualify as the best deals of the week. So who buys the AdSpace ad units? Big brand marketers like Coca-Cola, AT&T, Verizon, Macy’s, Ford Motors Co., Sony Pictures, KAL brands, some of which aren’t even physically offered in the shopping mall.

“Our No. 1 category is cable TV networks,” Porco notes. “MTV, Lifetime, Cartoon Network use us because we reach a mass audience, in a very dynamic environment, and because we have these 8-foot, high-definition displays. It’s a visually arresting experience for the consumers, and [advertisers] know [consumers are] looking at the screens for information about the best offers in the mall.”

If AdSpace was a magazine, Porco says it would be *Lucky*, a publication whose editorial content features information about products that may not necessarily be advertised in the magazine.

“We’re like *Lucky* magazine for the mall,” he says. “Here’s a great cell phone at the Verizon store. It’s 50% off today. Or Ann Taylor has a great cashmere sweater and it’s 50% off today. That’s our editorial content.”