H2 2023 Place Exchange Programmatic OOH Trends Report

January 2024

PLACE EXCHANGE

Overview

The Place Exchange Programmatic OOH Trends report provides a snapshot of select US programmatic OOH spending patterns within the Place Exchange platform, analyzing delivery across billions of programmatic OOH impressions. These results compare data from H2 2023 with data from H1 2023.

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Select Takeaways

Select Takeaways

- From H1 2023 to H2 2023, the top 3 programmatic OOH advertising categories remained the same (Food/Drink, Personal Finance, and Health/Fitness) and accounted for almost half of spend. In both time periods, the other half of spend was balanced across a broad mix of categories, with some notable gains and declines in different categories.
    - The fastest-growing categories were Home/Garden, Business, Automotive, Shopping, Tech/Computing, and Health/Fitness.
- Billboards remained the single largest asset category by spend, at 38%. Place-based formats continued to grow, with OOH TV screens accounting for 27% of spend, followed by Display Panels at 15%, and Kiosks at 12%.
- Outdoor remained the largest venue category, with 55% of spend, followed by Retail at 15%, Transit at 10%, and Entertainment at 8%. Overall, the number of programmatic OOH screens increased by 32%, driven mainly by deployments at entertainment, retail, transit, and residential locations.
- The average CPM for programmatic OOH inventory was $7.24 in H2 2023, a slight increase from the $7.17 average in H1 2023. CPMs by venue category were relatively stable.
- Video continued to represent a material portion of spending, comprising over one third of programmatic OOH spend on video-enabled screens.
- While programmatic OOH supports a wide variety of creative formats, the majority of spending remained concentrated in a few formats:
    - 76% of programmatic Video OOH ads were 15 seconds in length, a slight increase from the prior period.
    - 84% of programmatic OOH video spend is attributed to the top 2 sizes (WxH): 1920x1080 and 1080x1920.
    - While 50% of programmatic OOH video spend is on horizontal video formats, vertical video formats are growing in share.
    - 84% of programmatic OOH display spend on static display creatives is attributed to the top 3 ad sizes (WxH): 1400x400, 1920x1080, 1080x1920.
- Programmatic OOH continues to transact predominantly via Private Marketplace (PMP) deals, representing 93% of H2 2023 spend, given the high levels of campaign flexibility, price transparency, and media quality offered to buyers. While Custom PMPs represent the majority of spend, Always-on Deals and Programmatic Guaranteed Deals both gained relative share.

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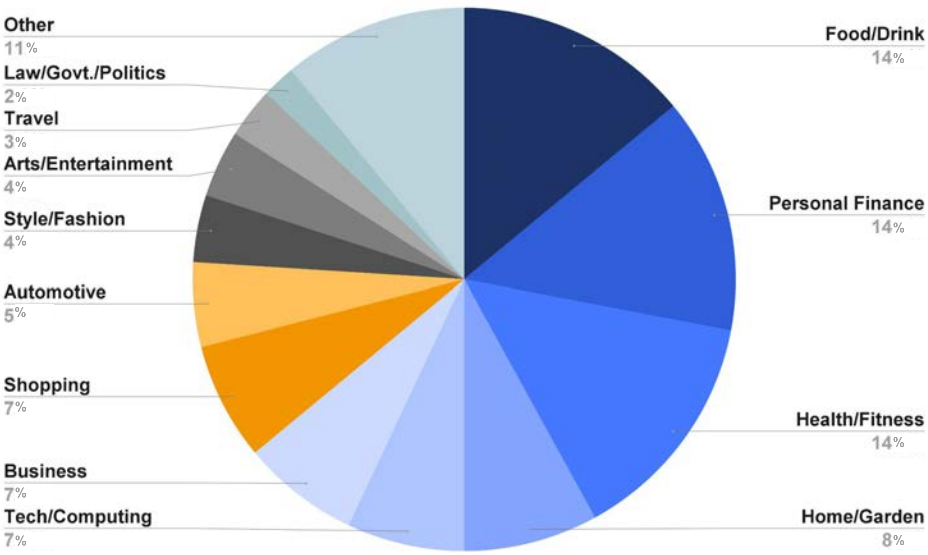
Advertiser Category Trends

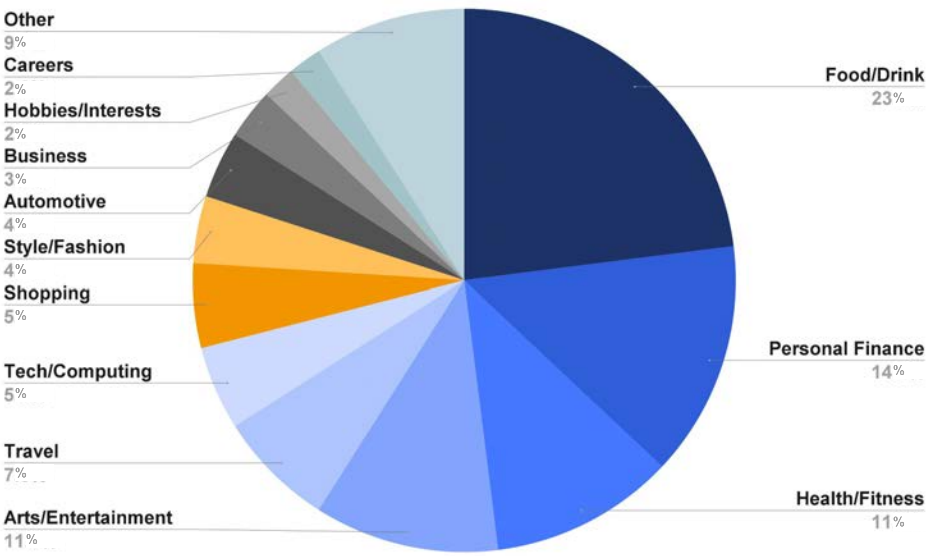
Top Spending Advertiser Categories

By IAB Categories

H2 2023 - Top Spending Advertiser Categories



H1 2023 - Top Spending Advertiser Categories



Comparing H2 2023 to H1 2023:

- **The top 3 categories remained Food/Drink, Personal Finance, and Health/Fitness**, and accounted for nearly half of the spend in both periods.
- **The Home/Garden category joined the top 4 ranking** for H2 2023 at 8%.
- **Several other categories gained share,** including Tech/Computing (from 5% to 7%), Business (from 3% to 7%), and Shopping (5% to 7%),
- **Arts/Entertainment and Travel both declined in share,** from 11% to 4% and from 7% to 3%, respectively.
- In both periods, the **spend overall was balanced across a broad array of advertiser categories.**

Advertiser Categories with the Highest Growth*

H1 2023 to H2 2023

	Growth Rate
Business	254%
Automotive	150%
Shopping	138%
Tech/Computing	131%
Health/Fitness	120%

* Includes only categories that represented at least 2% of total spend in H1 2023. Home/Garden is therefore excluded, but grew by 953%.

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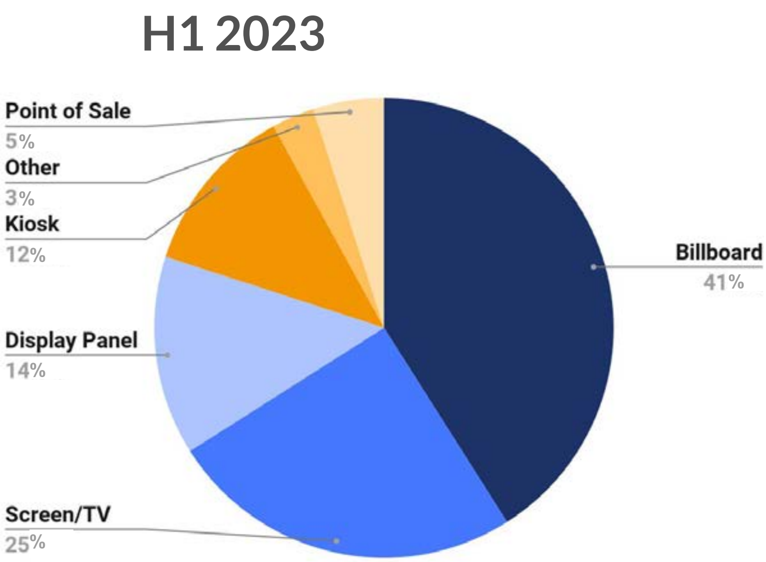
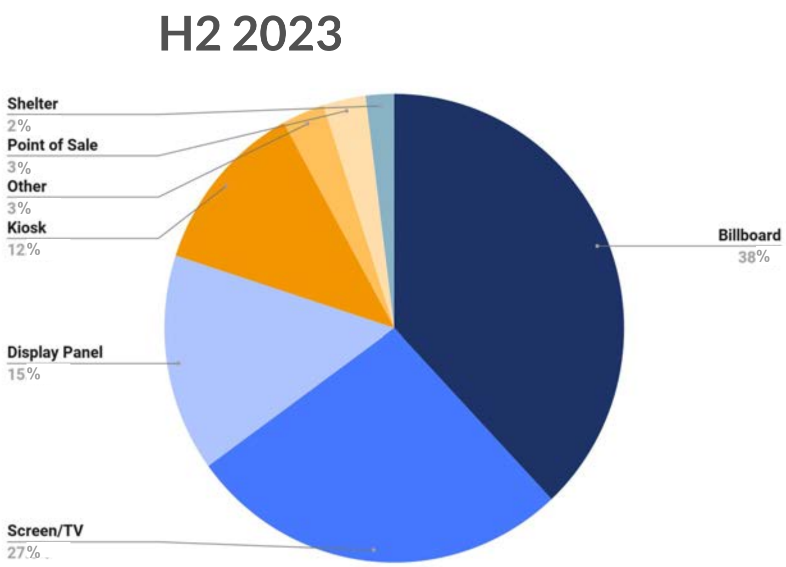
Asset Category and Pricing Trends

Spend Distribution by Asset Category





Asset Category Designations

Billboard

Large format, free standing, elevated digital displays.

Display Panel

Mid-to-large format digital displays mounted at or near eye level.

Kiosk

Interactive displays that are part of an easily-accessible, free-standing structure.

Point of Sale

Screens on a terminal or interface at which purchase transactions take place between a merchant and a customer.

Screen/TV

Small-to-mid size digital displays delivering information to a captive audience.

Shelter

A ground level, free standing enclosure such as newsstand or a bus shelter.

Other

Elevator Display: Displays located within elevators.

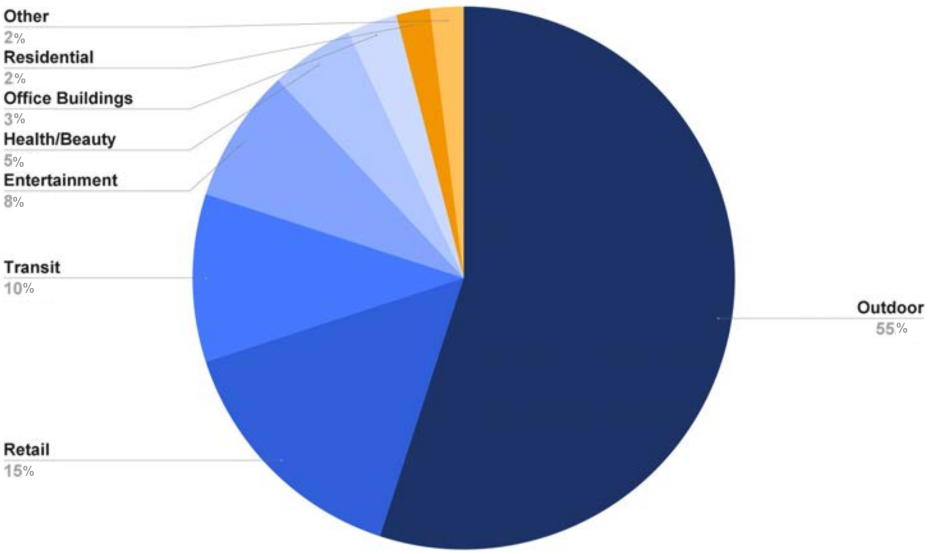
Spectacular: A large, non-standard display located in high impact areas.

Vending Machine: An automated machine through which various goods may be purchased.

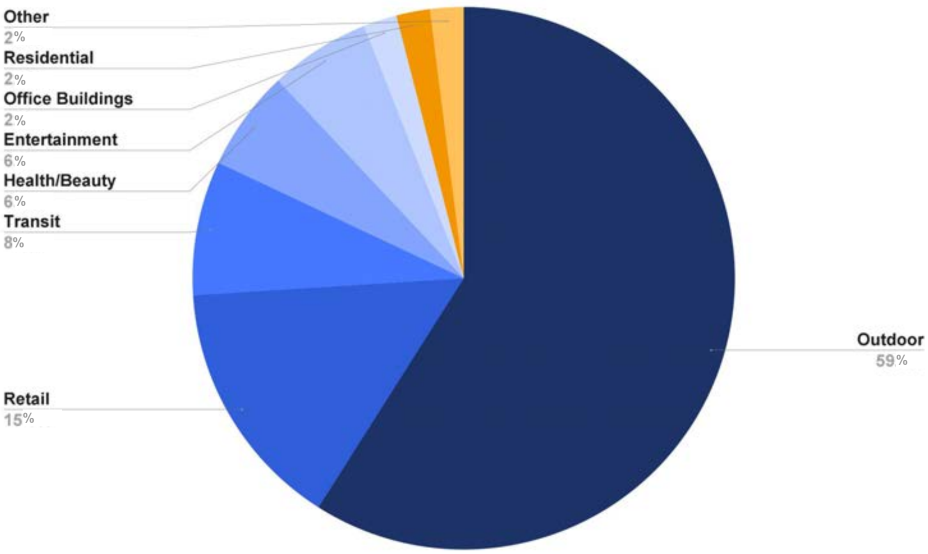
Billboards continued to represent the largest single asset category, at 38% of spend in H2 2023. Overall, the distribution of spend among asset categories remained relatively consistent between the two time periods.

Spend Distribution by Venue Category

H2 2023



H1 2023

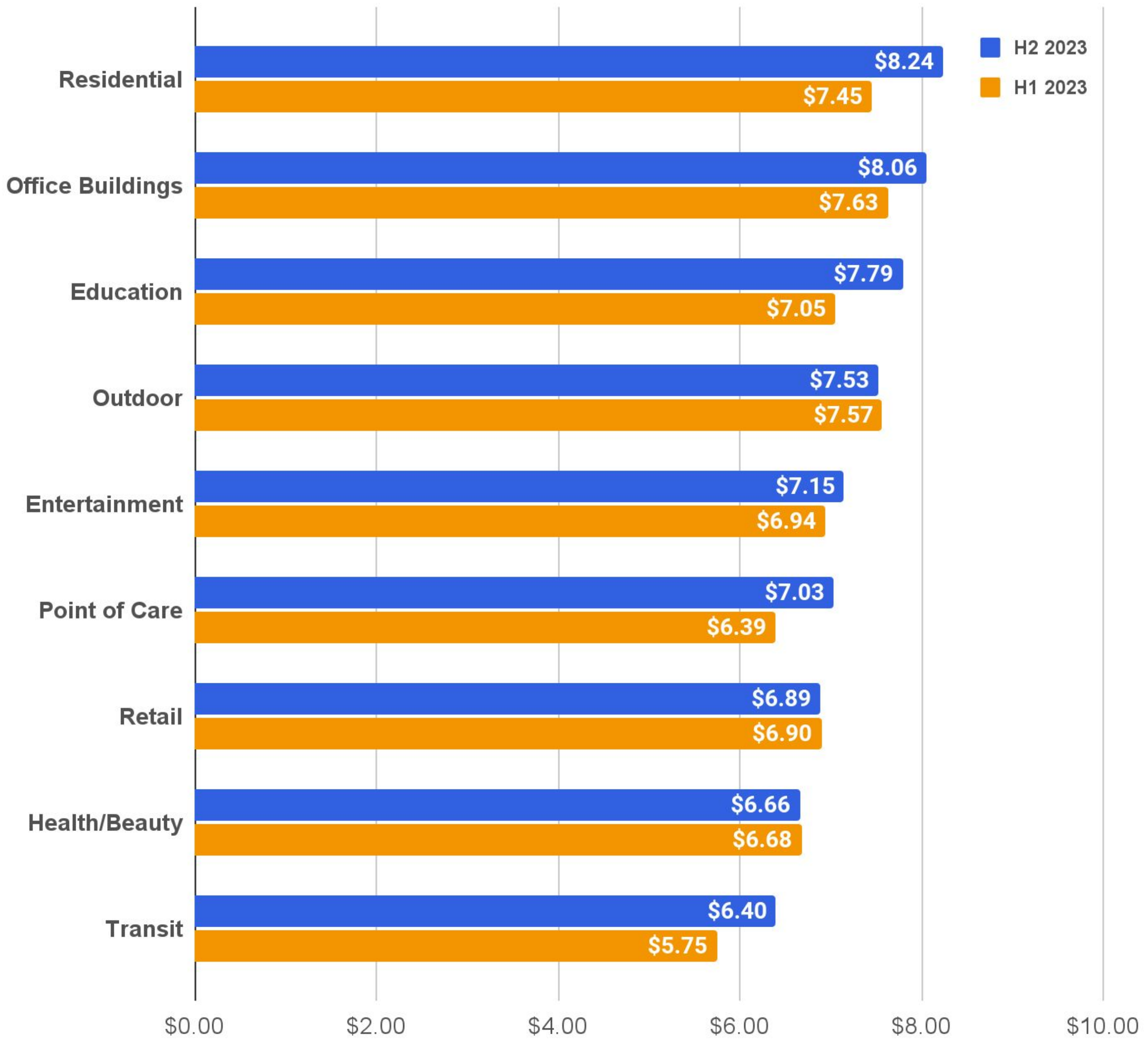


Comparing H2 2023 to H1 2023:

- **Outdoor remained the largest venue category,** with 55% of spend, down slightly from 59% in H1 2023.
- **Retail was again the second largest venue category by spend,** holding share at 15%.
- **Transit and Entertainment gained share**, from 8% to 10% and from 6% to 8%, respectively.
- **Overall programmatic screen count grew by 32%,** driven mainly by new screens in entertainment, retail, transit, and residential locations.

Average CPMs by Venue Category

By OpenOOH Venue Categories



Overall, the **average CPM for H2 2023 was $7.24**, a slight increase from the $7.17 average in H1 2023.

Within Outdoor, Billboard CPMs went from $7.19 in H1 2023 to $6.99 in H2 2023.

CPM prices remained relatively stable across venue categories, with slight increases in the majority of categories.

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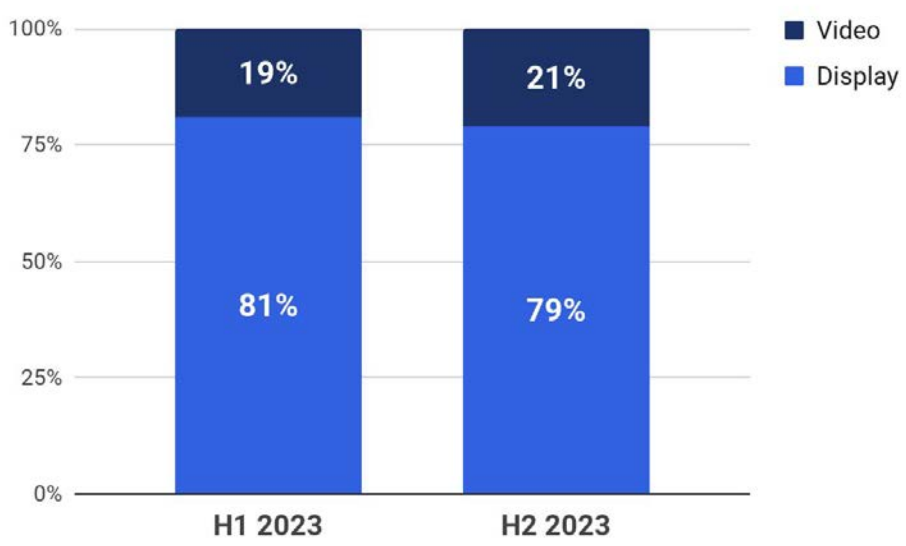
Creative Format and Transaction Type Trends

Display & Video Spending

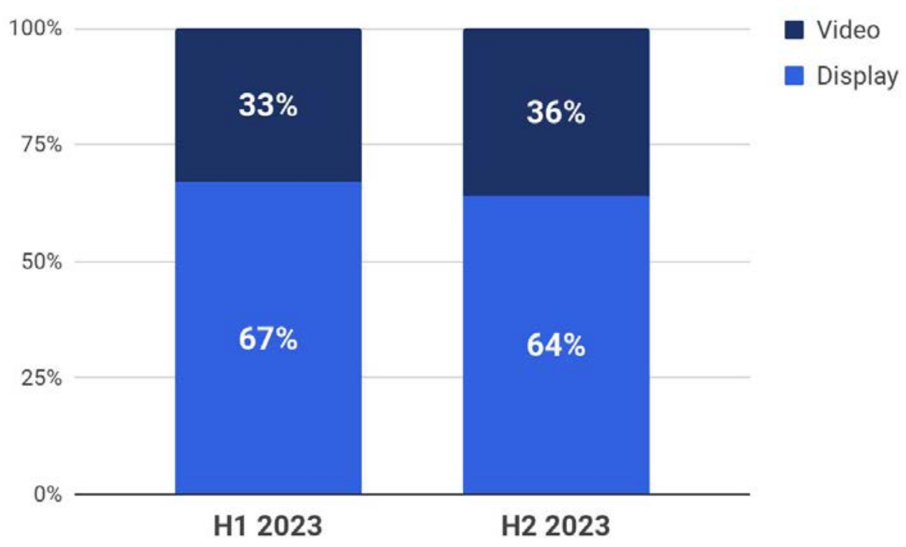
All Display & Video Spend



Programmatic Video OOH saw a slight increase in share, going from 19% of spend across all programmatic OOH screens in H1 2023 to 21% in H2 2023.

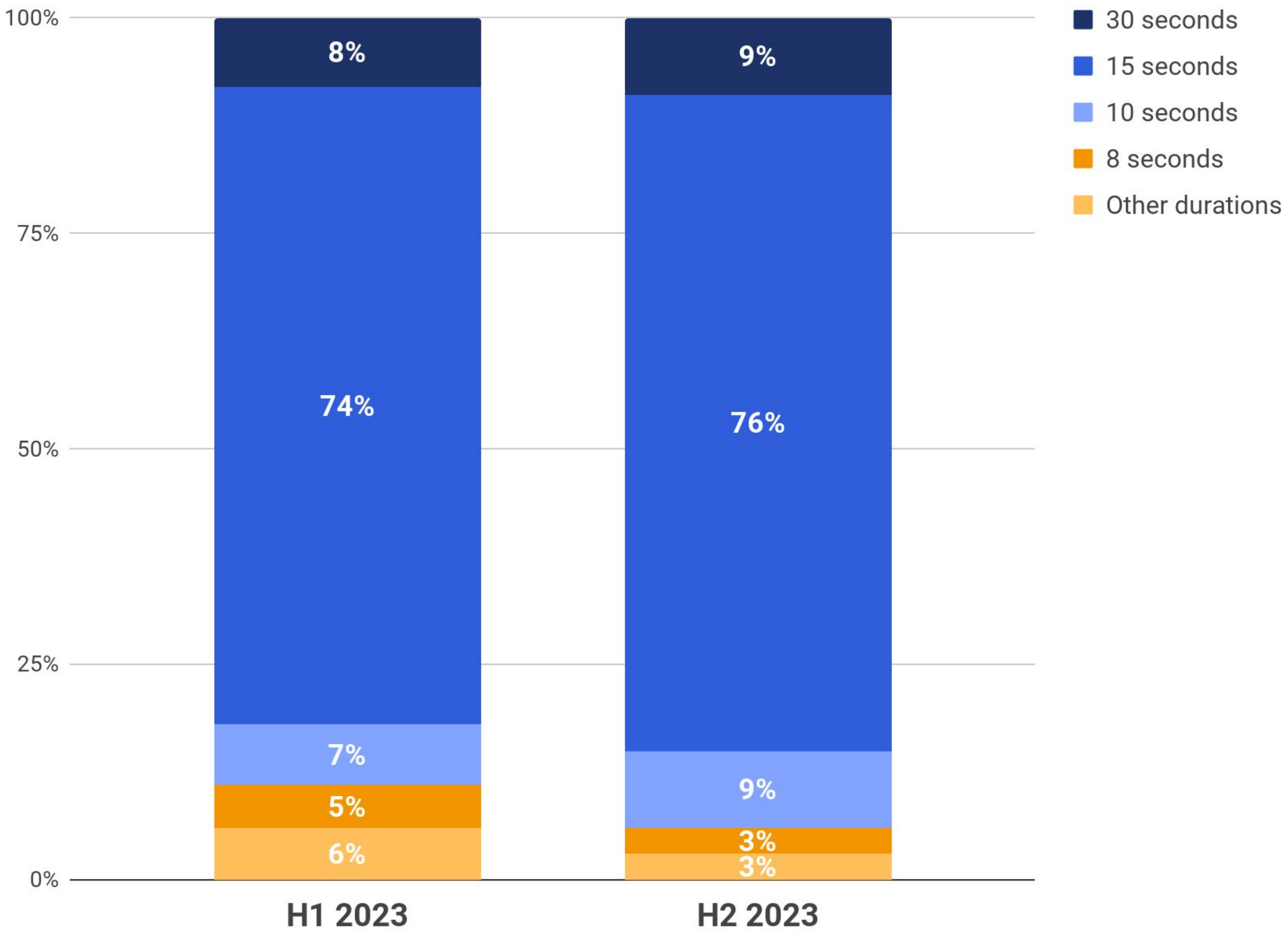
Display & Video Spend, ex-Billboards

(i.e., video-enabled screens only)



Filtering the analysis to include only OOH screens that are video-enabled, **Video accounted for over a third of spend in H2 2023.**

Spend by Video Ad Duration



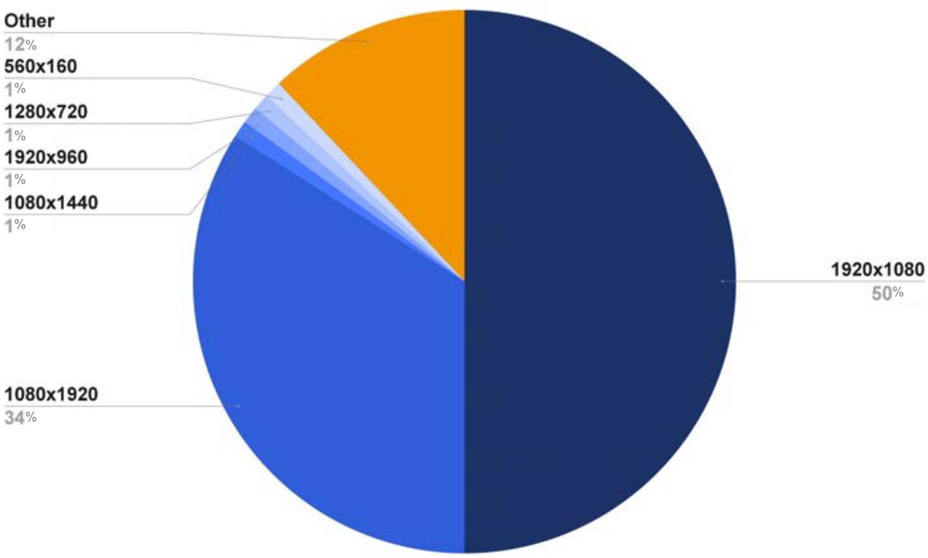
15 seconds continued to be the most common video ad duration, representing three quarters of all video spend.

Comparing to H1 2023, 30- and 10-second durations increased slightly in share, while 8-second and “Other” durations declined in share.

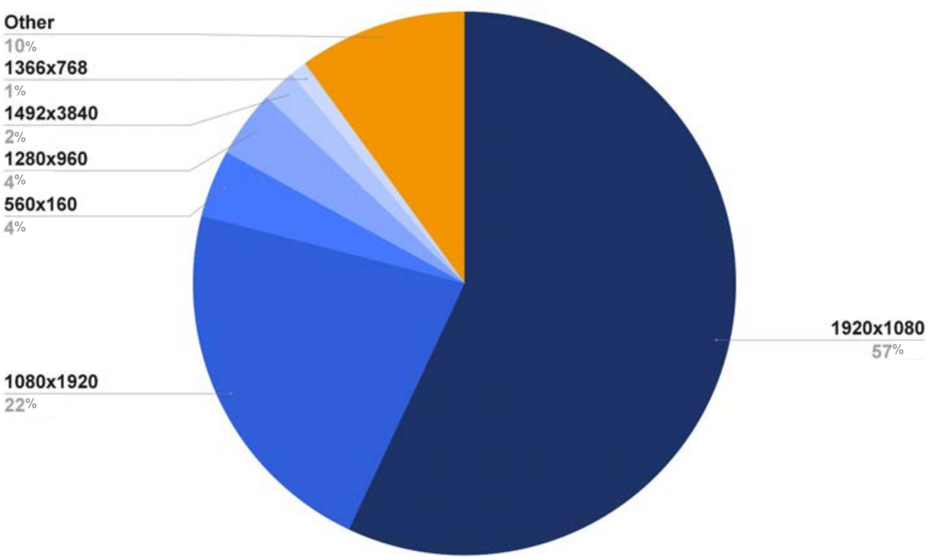
Spend by Video Size

Width x Height for video creatives

H2 2023



H1 2023



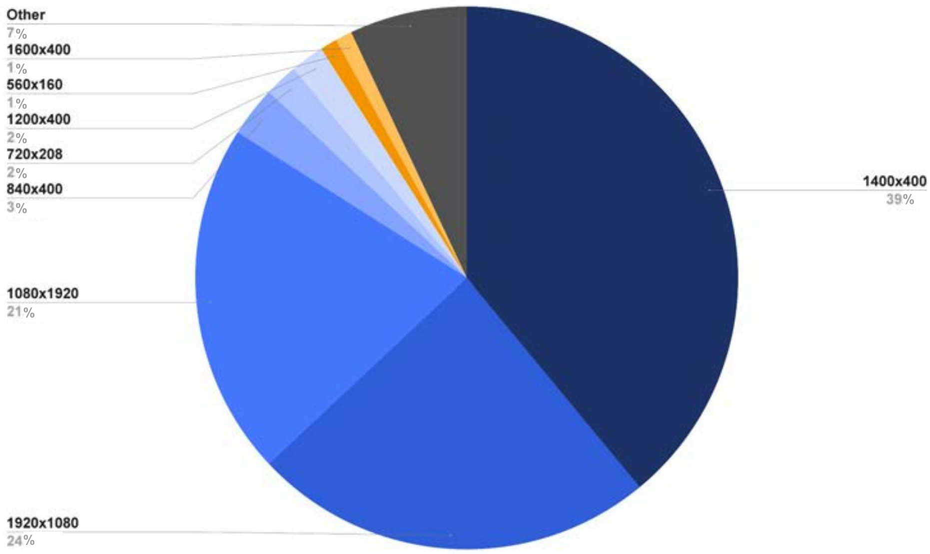
Among the top sizes for video OOH creatives, **the leading horizontal video size (1920x1080) declined to 50% of spend in H2 2023**, from 57% in H1 2023.

The leading vertical video size (1080x1920) increased to 34% of spend, from 22%, partially driven by the increasing crossover between social and OOH advertising.

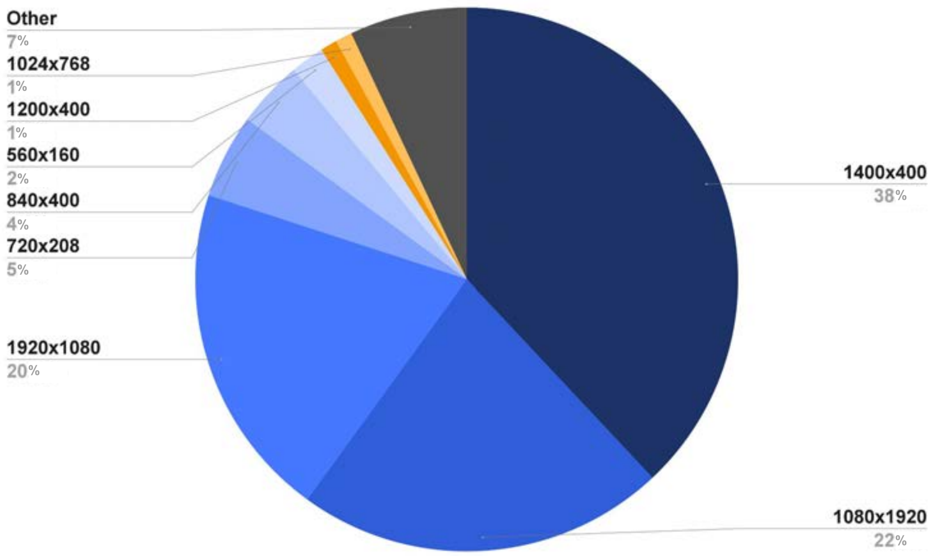
Spend by Display Size

Width x Height for display creatives

H2 2023



H1 2023

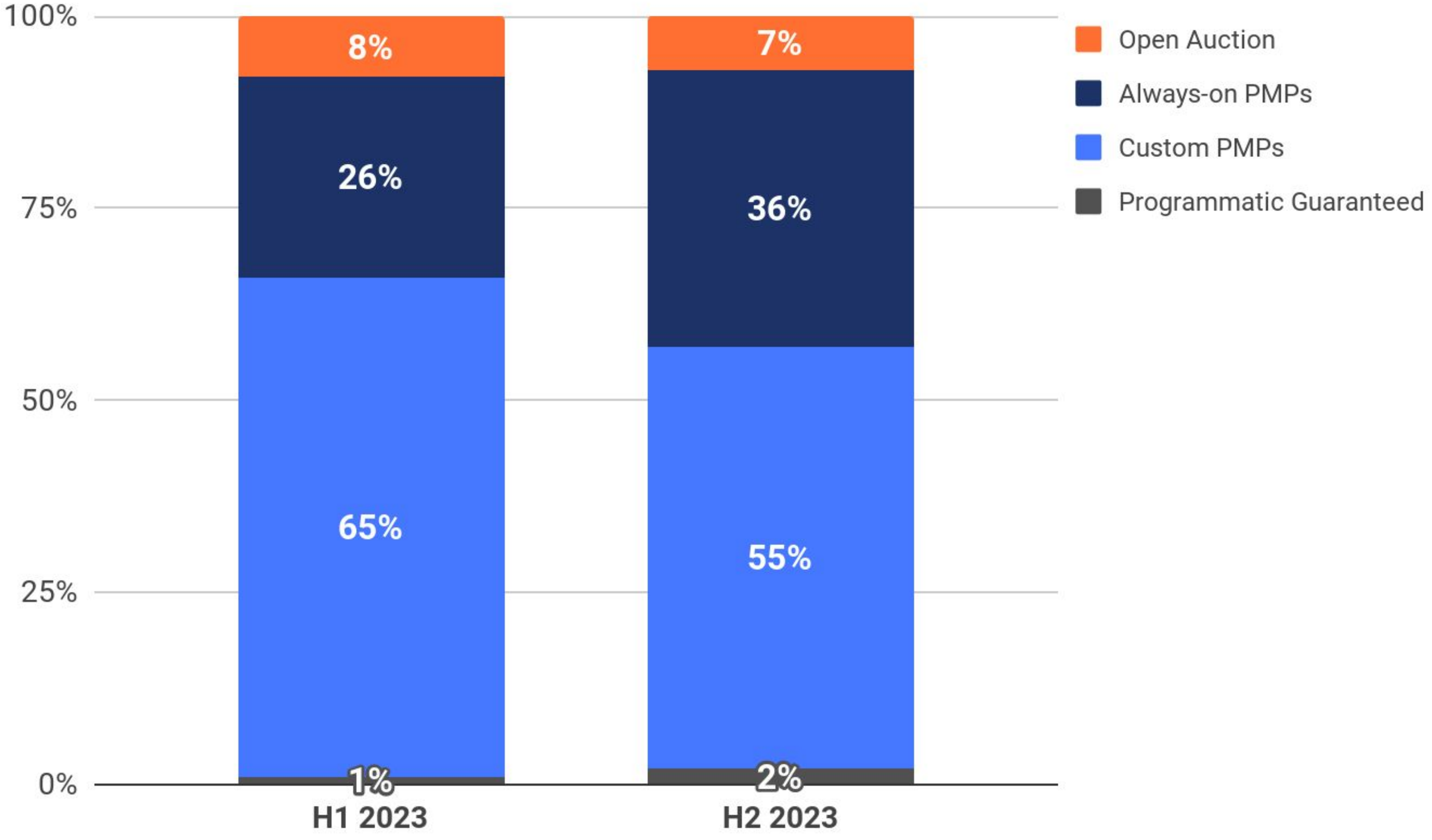


The top 3 sizes for static display creatives accounted for 84% of programmatic OOH display spend in H2 2023, up from 80% in H1 2023. **Overall, the mix of display spend by creative size in the two time periods was similar.**

The top display creative sizes in H2 2023 were:

- 1400x400
- 1920x1080
- 1080x1920
- 840x400
- 720x208
- 1200x400
- 560x160
- 1600x400

Spending by Transaction Type



Programmatic OOH buyers continue to overwhelmingly prefer transacting with private marketplace deals (PMPs), including Always-on PMPs, Custom PMPs, and Programmatic Guaranteed deals, collectively representing 93% of spend in H2 2023.

Always-on PMP deals grew from 26% to 36% of spend, reflecting the growing maturity of the programmatic OOH category. Programmatic Guaranteed deals, while a small percentage of spend, are growing rapidly on a relative basis.

Private deals in general remain strongly preferred over open auction, as they offer highly flexible campaign delivery, transparency around media pricing, and certainty around inventory quality - all factors that are growing in importance to buyers.

About Place Exchange

Place Exchange is the leading SSP for programmatic out-of-home media. Integrated with omnichannel DSPs and OOH DSPs, Place Exchange's patented technology uniquely offers agencies and advertisers the opportunity to fully unify buying and measurement of OOH media with other digital channels, leveraging the same workflow, creatives, reporting, and attribution as for online and mobile advertising. Place Exchange's unmatched premium supply ecosystem adheres to its Place Exchange Clear certification program that delivers buyers quality, consistency, transparency, and compliance. For OOH media partners, Place Exchange offers the opportunity to access untapped programmatic ad spend with full transparency and control. Place Exchange is a 2023 Deloitte Technology Fast 500™ company.

For more information about Place Exchange, visit www.placeexchange.com.

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