

COMMB updates outdoor in-market factors

GPS studies reveal heavy city driving by people living outside of Canada's major cities

The media challenge

In 2010, the COMMB Research Committee¹ began a 2-year process to determine how the ever-growing mobility of Canadian consumers was impacting exposure to outdoor advertising media. Specifically it wanted to better understand travel patterns, and to review the traditional method of applying an in-market factor* to OOH campaign exposures when calculating GRPs.

The traditional outdoor GRP =

$$\frac{\text{Total exposures to an outdoor campaign} \times \text{the In-Market Factor}^*}{\text{Market population}} \times 100$$

***In-market factor** = the percentage of people exposed to outdoor advertising who are also residents of the market

The conversation

The following issues were at the centre of the committee-discussion:

- OOH is an out-of-residence medium. Should advertisers continue to discount non-residents' exposure to outdoor advertising, a practice that was established decades ago? Is this approach still valid? Is it the most precise way of representing the value that advertisers receive when investing in an outdoor campaign?
- Surely both residents and non-residents are legitimate and valuable potential customers that together make up the real audience to be measured and reported in a modern, media metric.
- Online and other emerging media have adjusted the GRP formula to provide advertisers with much-needed insight into how their media perform in the market. Is it time for outdoor media to do the same?
- Are there differences between resident exposure and non-resident exposure?

The solution

Between September 2011 and June 2012, COMMB deployed GPS travel studies in Toronto CMA, Montreal CMA and Vancouver CMA to help us understand how both residents, and non-residents living within 100 kilometres of the markets' borders, travel within Canada's largest urban cities.

Passive and accurate, GPS technology captures movement every two seconds and was therefore selected as the tracking device to be carried by study participants for a period of 9 days.

The sample of 600 was randomly selected via telephone from each census subdivision (CSD) within the study areas. (accuracy +/- 7%.)

¹ An industry body comprised of media and research experts from the OOH industry and leading advertising agencies. It provides oversight and approvals for all COMMB research and auditing methodologies.

What we learned

1. People living outside of the Toronto, Montreal and Vancouver CMAs, travelled into the major markets an average of **4 days per week**, driving more weekly kilometres within the CMA boundaries than residents of those cities.
2. Non-residents' exposure to outdoor advertising in the major-market CMAs was higher than residents' exposure.

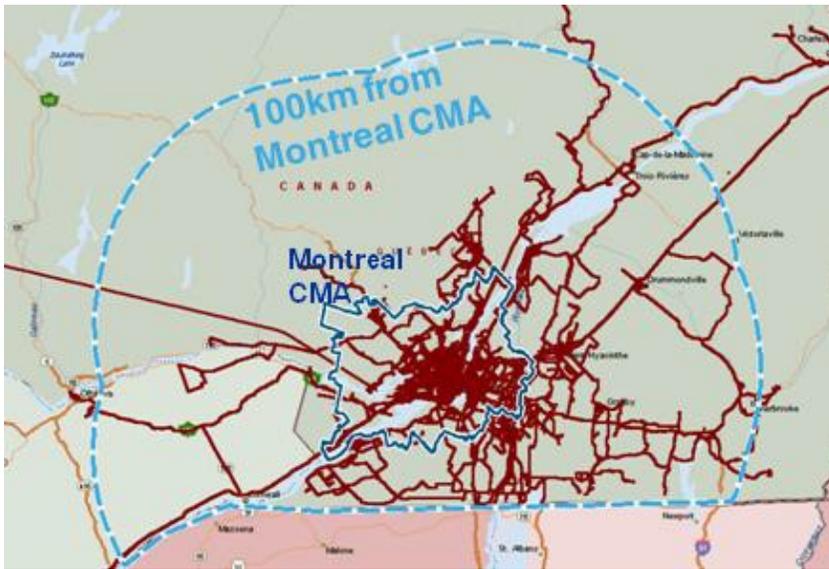
Major-market CMAs attract non-resident drivers

Red travel routes represent movement over 9 days by all study respondents - both residents of the major market CMAs and non-residents living within 100 kilometres. There is a significant concentration of travel within the CMA boundaries designated by the solid blue borders.

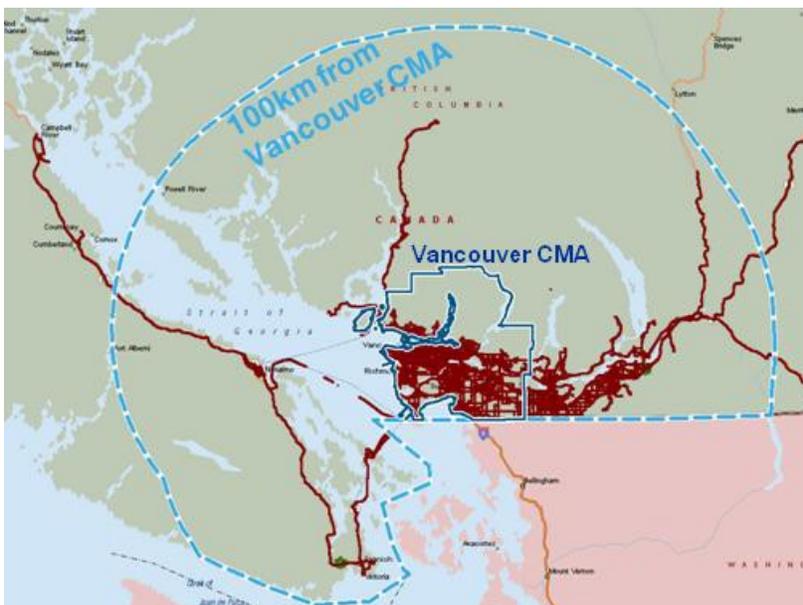
Charts below each map compare kilometres driven and potential exposure to outdoor advertising by both residents and non-residents.



	Average weekly kilometres travelled within Toronto CMA	Index	Average daily exposure potential to outdoor advertising	Index
All participants	61	100	83 exposures	100
Residents of CMA	46	74	60 exposures	72
Non-residents	73	119	109 exposures	131



	Average weekly kilometres travelled within Montreal CMA	Index	Average daily exposure potential to outdoor advertising	Index
All participants	60	100	81 exposures	100
Residents of CMA	57	95	71 exposures	87
Non-residents	62	103	90 exposures	111



	Average weekly kilometres travelled within Vancouver CMA	Index	Average daily exposure potential to outdoor advertising	Index
All participants	51	100	96 exposures	100
Residents of CMA	39	76	75 exposures	78
Non-residents	62	121	118 exposures	122



Canadian Out of Home Marketing
and Measurement Bureau

What this means for advertisers

COMMB's Research Committee and Board of Directors – comprised of representation from 10 leading advertising agencies and 6 leading OOH companies – voted unanimously to adjust the in-market factor.

Effective October 17, 2012, non-residents of Toronto, Montreal and Vancouver that travel 4 days or more per week in these markets are deemed residents.

The following in-market factors will be applied to total advertising impressions in the calculation of GRPs and reach-frequency.

Toronto	.92
Montreal	.92
Vancouver	.91

The new in-market factor is derived from current and reliable COMMB research that advertisers and their agencies can trust. This research is vital to accurate reporting of campaign reach, impressions, and GRPs reported in COMMB's trusted media planning tool, COMMBNavigator®.

Note: Combined markets such as Toronto/Hamilton/Oshawa have not yet been studied, therefore the in-market factors will be published based on the in-field observation of license plates. All in-market factors are published in "COMMB Reference Data" found in the Help tab of the COMMB Data Report software.

For questions about the in-market factor, or to arrange webinar and/or on-site training, contact Jeremy Stick 416-968-3823, jstick@commb.ca