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## ADVERTISING

# Bringing Digital Ads to the Local Mall

By STUART ELLIOTT

A GIANT advertising company is teaming up with a giant property company for a venture that aims to help turn the shopping mall into a medium not unlike television, radio, newspapers or the Internet.

The Publicis Groupe, the world's fourth-largest advertising company, is joining forces with the Simon Property Group, the nation's largest owner of shopping malls, to start what is being called the OnSpot Digital Network. The joint venture, to be formally announced today, will sell commercial time on screens to be placed at or near the entrances, food courts, escalators and corridors of Simon malls across the country.

The network of screens has been tested since fall 2004 at the Roosevelt Field Mall on Long Island, carrying programs that are sponsored for the test by brands like Cingular Wireless, Coca-Cola, Garnier, Nintendo and Visa as well as retailers like Aéropostale, EB Games, Gap, PacSun and Subway.

The Coca-Cola Company is among the marketers that have agreed to become regular sponsors of OnSpot.

Advertisers and agencies are buzzing about "the third screen," referring to the screens of cellphones, which many consumers now look at almost as much as they do TV or computer screens. The formation of OnSpot underlines the growing interest in what could be called the fourth screen, meaning all the screens that consumers see outside the home, in stadiums and arenas; the lobbies of movie theaters; public gathering places like Times Square, Piccadilly Circus or the Ginza; inside elevators in office buildings; and in airport terminals and train stations.

Two other examples came yesterday. One involved Clear Channel Outdoor, part of Clear Channel Communications, which announced plans for a network of digital billboards in London. The initial 10 signs are to be placed in high-traffic sites like Cromwell Road and will display continuously changing messages from six companies, each lasting five seconds.

Perhaps someone on Madison Avenue ought to trademark the term "screenery" to describe the proliferating screen scene. As consumers find new ways to avoid or skip commercials on the first screen, television, thanks to technologies like TiVo and iPod, the efforts to put ads in front of them on other screens are growing.

"OnSpot is a digital network that complements TV," said Stewart A. Stockdale, who is the chief marketing officer at Simon as well as the president at its Simon Brand Ventures division.

"There is a movement to go to the point of sale to speak to consumers, so we think this is a big opportunity," he said. His reference was to initiatives to expose consumers to ads while they are inside stores, which range from in-store TV networks operated by retailers like Wal-Mart to video monitors being attached to store shelves by a retail services company called Vestcom.

A major reason marketers are looking to run more ads at the point of sale is that this type of environment is already heavily commercialized. Unlike television, where commercials are widely deemed to be interruptive annoyances, shoppers expect ads in stores. Indeed, Simon malls and malls owned by other companies display ads in the common spaces between stores on devices like backlit directories.

"There are already a huge number of brands" at a mall, Mr. Stockdale said. "Consumers rationalize that when they enter a shopping center."

Even so, "we were very sensitive" to making sure that the screens "do not detract from the shopping experience," he added. For example, the sound levels for the programs and commercials displayed on the screens were tested extensively during the pilot at the Roosevelt Field Mall.

Mr. Stockdale is to be the co-chairman of OnSpot along with Simon Badinter, the chairman and chief executive at the Médias and Régies Europe and North America unit of Publicis. Mr. Badinter described OnSpot as the logical extension of a network of screens that the unit operates in 70 malls in Europe.

"We want to provide a space to catch shoppers in the state of mind of buying," said Mr. Badinter, whose mother, Elisabeth, is the chairwoman of Publicis and whose grandfather, Marcel Bleustein-Blanchet, was the founder of Publicis.

The content on the OnSpot screens will run in eight-minute loops. Four minutes will be devoted to news and features about fashion, entertainment and lifestyles. The remaining four minutes will be for the commercials.

The screens are to be in two sizes. Some will be 50-inch diagonal screens, measuring 47.4 inches wide by 28.5 inches high, and some will be 126-inch diagonal screens, measuring 121.2 inches wide by 74.4 inches high.

The network of screens is to be installed initially in 17 Simon malls in the Chicago, Los Angeles and New York markets. Then it will be rolled out to 33 malls in 12 other metropolitan areas: Boston, Philadelphia, Washington, Atlanta, Dallas, Houston, Minneapolis, San Francisco, Seattle and three markets in Florida: Miami, Orlando and Tampa. Plans beyond that are being considered; Simon owns almost 300 shopping centers nationwide.

The first malls to get OnSpot screens will include Laguna Hills Mall and Westminster Mall in California; Lincolnwood Towne Center and River Oaks Center in Illinois; Menlo Park Mall and Newport Center in New Jersey; and the Source and the Walt Whitman Mall in New York.

A 30-second commercial to appear on the estimated 2,000 screens in the 50 malls will cost \$350,000 a month. That is about what ABC charged advertisers last fall for a 30-second spot during an episode of the hit series "Grey's Anatomy," according to data compiled by the trade publication Advertising Age. In a comparison involving outdoor advertising, billboards in prime locations in Times Square can rent for \$200,000 to \$300,000 a month.