

PMG in Africa: Evolving OOH in a time of growth

By Jacques du Preez, issued by Provantage

20 Apr 2022

PMG is a long-established out of home (OOH) media player in Africa, with a strong footprint across the continent's key territories. We believe that the OOH industry is set for substantial growth that will drive the multifaceted modernisation of OOH mediums and environments in the coming years, and we are preparing accordingly.



OOH is a well-established feature of the African marketing and media landscape – both literally and figuratively. It holds a greater share of advertising budgets in Africa than elsewhere, and, along with digital media, has expanded in recent years: OOH media now accounts for 13% of advertising revenue in most key African markets. Furthermore, Digital OOH (DOOH) is growing substantially in all African markets, with rapid digitalisation of media assets across formats including digital billboards and digital place-based networks (DBPN). And, while the industry (particularly airport advertising and brand activation) was hit hard by the pandemic, 2021 saw it make a sharp recovery. We believe that this is just the beginning – and major growth is set to follow.

Africa is growth central

Sustained growth of between 3-6% CAGR is projected for Africa over the next 5-year period. Some of the social, technological and legal-political macro-economic factors that will fuel the ongoing growth of OOH in African markets include:

- **Demographics:** With about 1.3 billion people, this is the world's second most populous continent. It's also home to its fastest-growing middle class. Moreover, 60% of Africa is younger than 25 years old. These factors make it appealing to brands, and the number of multinationals active across the continent is a growing testament to this.
- **Urbanisation:** Africa's population is urbanising at a much faster rate than that of other continents. By 2050, more than half of Africa's 2.2bn people will live in its rapidly expanding cities. That's the equivalent of the population of China. Rapid urbanisation has important implications for how residents live their day-to-day life, as well as how businesses operate. Urbanisation marks one of the most significant opportunities for the OOH industry, as big infrastructure development and investments aid modern and innovative OOH executions.
- **Mobile connections:** Africa is a highly established mobile market with more than 800 million mobile connections across the continent. OOH has a natural synergy with mobile media, so this development opens up fantastic mobile out of home (MOOH) opportunities, enabling retargeting strategies and powerful call to action campaigns.
- **The African Free Trade Agreement:** this was signed by 44 of the African Union's 55 member states in 2018, and is expected to drive substantial growth for the continent.

Africa therefore presents a massive opportunity for the OOH industry, as long as we take steps to make the most of these developments. Ongoing development should also play a role in addressing some of the perennial challenges that confront

OOH in Africa – for example, developing infrastructure should bring a more reliable power supply, enabling a faster rollout of digital. And, as ever more big brands move in and OOH media ownerships continue to consolidate, this should propel standardisation of OOH media formats and sizes – along with robust media efficacy data and enhanced campaign reporting – further driving industry growth.





Changing landscape, evolving challenges

One challenge that persistently confronts OOH is the extreme diversity in regulations and government policy concerning OOH across cities and even councils. However, the influx of infrastructure investment, along with the expansion of global and regional OOH companies, means that more pressure is placed on the formalisation of regulation and standards in key African markets.

As such, infrastructure build partners have increasingly initiated dialogues around concessions and legislature, and government and council officials display a growing hunger for knowledge, information sharing, and global best practice around the legislation of OOH formats and concessions. Many are demanding more from OOH media ownership – sustainability, environmental beautification, public amenities.

PMG in Africa

PMG acquired Global Outdoor Systems in 2018, thereby expanding its presence across the continent. The group now has an established footprint in 11 African countries. Over the last three years, we have significantly enhanced our capabilities in all our key markets by aggressively investing in systems, people and infrastructure.

In line with the growth and evolution of OOH in Africa, we have introduced our portfolio of OOH services and products into these key markets. Our ambition is to evolve and modernise OOH from a one-dimensional, billboard dominant sector, to a multi-dimensional medium that captures a multitude of audience and consumer segments, strategically spanning multiple formats and touchpoints.

We have several focused and strategic initiatives towards reaching this goal:

- Cultivating Africa's massive and vibrant informal sector: This contributes significantly to the economy and employment, and offers a huge opportunity for brands. We are therefore aggressively scaling our field merchandising, sales and brand activation operations by introducing our Field Force and Pro-Active portfolio within selected key West African markets. Our main aim is to modernise and infuse expertise within the route to market and brand activation segments where the informal market is booming and client demand is high.
- Developing fit-for-purpose and scalable innovation in key segments: We are introducing and developing dynamic, flexible OOH media formats that capitalise on convergence and transit nodes, to effectively reach and service the substantial informal market in most African markets.
- Engaging with infrastructure developers and governments to introduce and launch new generation DOOH formats and networks that reach key audiences.
- Discussing the modernisation of legislation, spatial planning frameworks, and the role of OOH in the broader ecosystem with authorities, councils and municipalities, with the view to launching longer concessions that will enable sustainable infrastructure investments and maintenance.
- Forming deeper collaborations and strategic partnerships with our pan-African media agency partners and multinational clients to drastically increase transparency and quality of media campaign reporting alongside pioneering the ramping up of OOH media executions across various OOH segments.
- Initiating dialogue with the key players in priority markets to drive the formalisation of measurement within Africa. These include Nigeria, Ghana, Ivory Coast and Cameroon, along with the respective industry associations concerned with launching and establishing standardised, industry-accepted audience measurement.

In closing, we believe that the continent offers unrivalled opportunities, and we are very excited by the chance to pioneer the evolution of the OOH media segment within this space. As such, PMG is investing heavily in both growing and modernising the OOH media industry across the continent, developing it into a multi-dimensional medium that spans a multitude of audience and consumer segments.

It's time for Africa to take its place on the global playing field, and PMG is committed to making that happen.



Jacques du Preez

" Out-of-home Golf Ads – At work while consumers play 30 May 2024

" Provantage launches SA's first real-time, place-based media audience measurement tool – Protrack 30 Apr

▪ **Provantage and T+W launch Ant Lion - A full service digital content agency** 10 Apr 2024

▪ **Outsurance announces partnership with South African Schools Netball** 3 Apr 2024

▪ **Cape Town International Airport makes the top 3 in the world – and big brands are noticing** 6 Mar 2024

[Provantage](#)



Provantage is one of the largest and most innovative end-to-end integrated marketing solutions and media businesses in Africa, extended over multiple key consumer touchpoints and covering a range of environments and audience segments.

[Profile](#) | [News](#) | [Contact](#) | [RSS Feed](#)

For more, visit: <https://www.bizcommunity.com>