



The three things that will make an impact on India's Outdoor Advertising, on the road to 2010

The Indian Outdoor industry is going through a radical change today, and the power of the medium is being noticed by the clients/media planners etc. The Indian Out of Home industry has been growing at a steady pace and the next three years are going to witness a sea change.

The entry of international players into India has already made a huge impact and will go on to change the mindset of the overall industry in a big way. It has already made the existing players sit up and do an introspection of the quality / maintenance standards being adhered to. It is clearly to be seen that international practices are being adopted. The focus of quality and maintenance will have to be there and will be the driving factor for growth.

The industry has woken up to the fact that huge investments in any medium will not make sense until the project is long term. The Government agencies are open to the idea of long tenure projects as they have seen that media concessionaires are open to investing huge monies provided the duration of the project is long enough for them to recover their monies.

In times to come we hope to create further benchmarks for the industry.

Another thing to watch out for is the entry of the Big Indian Fish into the Out of home market. The recent tenders have seen the "Indian Biggies" lap up the tenders at huge cost. This is going to result in a shakeout for the small timers.

This phenomenon will be restricted to the top 10 cities of India.

The market grapevine says that a leading premier commercial house has put aside a corpus of Rs 1000 crores for its plans into the Out of Home Media entry. This is huge by any standards seeing the size of the total OOH market stands at Rs. 1000 to 1200 crores today. The recent bids by

leading operators is also a pointer as to where the market is heading in terms of acquisition of OOH mediums. The existing players have to keep up with the pace and aggression that is currently being witnessed. However it is yet to be seen and established whether the returns on the investments made for acquiring media at any price is there or not.

With the rates being jacked up due to high bidding, will in a way benefit the existing media owners as they would be in a position to command higher rates for their media.

The municipal corporations of various cities will be more open to long tenure BOAT projects as the players are ready to invest huge capital expenditure on the medium, ultimately delivering quality in terms of public service along with advertising value.

In fact internationally when we talk of Outdoor Advertising, it is a part of the city landscape and OOH mediums are used to beautify the city and also provide public service.

The municipal bodies are very keen to change the look of the city and give it an international feel and they will be looking forward to professional companies offering quality, to work in partnership with them. Seeing the Indian market scenario there will be a trickle down effect to all other metros and tier II cities and quality furniture would be seen there too, shortly!

The journey for the next level of outdoor advertising has already started and since it is out of home, will be witnessed by one and all. There will be new look to the outdoor media and it will be different from the conventional mediums we've been seeing for a long time. The international designs will be witnessed on Indian roads soon.



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