



Advertising startup explores alternate delivery vehicle Out of home media company puts social aspect to work building ad impressions

by Don Kreski

In an era where TiVo, YouTube, and plain old channel surfing encourage viewers to avoid commercial messages, OnSite Network (OSN) has found a way to increase advertising viewership by specific market segments.

Their secret is to take advantage of group viewing dynamics in sports bars, restaurants and other out-of-home venues by adding content and advertising to broadcast TV feeds.

"We don't change the commercial TV feed in any way whatsoever," says Allen Marrinson, president of Chicago-based OnSite Network, Inc. "Instead we augment it."

The OnSite Network vehicle consists of a Sharp flat-panel display sized somewhat larger than what would normally be needed for a given venue. OSN uses the extra space to put, on a 46" monitor, a 7" strip on the right side and a 4" tall strip along the bottom of the

broadcast image for additional content and advertising.

A key insight behind the concept is that viewers will read, and in a social setting talk about, written material added to a TV image without losing track of the main program. That's what drives the game time statistics displayed on ESPN and upcoming stories at the bottom of a CNN screen.

"We devote about 30% of our portion of the screen to content," says Marrinson. "In a sports bar it is primarily sports, but it can include celebrity gossip, finance, health and wellness—about seven or eight subjects that we put on the screen at various times. "In addition, we give about 30% of the added space to the venue for their own marketing, sell 30% to advertisers and contribute 10% to charitable groups free of charge."

In doing so, Marrinson says OSN is measurably building viewership and the amount of time a sports bar or restaurant patron will spend watching. "We

know anecdotally and now through an Arbitron report that people really do like our content," he reports. "We have been told by more than one location owner that people turn their backs on the other screens to watch ours, because our content is entertaining, develops socialization, and maybe just as important keeps people in the bar area longer. Our dwell times are the highest in the business at an hour forty-five minutes on average. That's very helpful to us and to the locations. They are very pleased with the service."

The technology behind the network

Marrinson says that Onsite Network delivers their content to the monitors using a custom-built computer system with a video mixer installed when necessary for high definition programming. The setup mixes content from two sources: a broadcast television signal and content, venue information, and advertising coming from OSN over the Internet.

The ads themselves are usually animated ("the bottled beer sweats, the automobiles move, and so on," says Marrinson), but they do not have sound. Most venues either have music playing or they run the audio from one commercial TV feed so patrons can hear a specific game.

Marrinson says OSN's biggest challenge was to find a way to put those screens where they could develop a mass market of viewers (defined as a million viewers in a specific market area) and yet be able to provide advertisers with audience segments broken down into groups of about 20,000 viewers per month.

To reach those numbers, OSN provides the venue with the computer, large-screen displays (replacing about 25% of the screens in each sports bar or restaurant), a broadband connection and content, all at no charge.

The sports bar or restaurant operator can choose the TV signal from whatever source he's used to, whether that's satellite, cable or broadcast, in regular or high definition. It could be a pro or college game, TV series or whatever his customers prefer. The portion of the screen devoted to the venue's own advertising turns out to be the most valuable incentive that OSN has to allow them to install their equipment

One thing that Marrinson says he learned the hard way was the importance of the screen itself. "We started out using a lower-cost consumer television that was primarily being sold in retail chains," he says. "But we had enough failures that it was causing us concern." A second issue was image quality, and a third delivery time.

After careful investigation, OnSite Network switched to Sharp, focusing on their PN-465U 46" LCD monitor, but also using the 52" Sharp PN-525U and the 65" Sharp PN-G655U, depending on the venue.

"First, the picture is fantastic," Marrinson says. "To the point where people ask us, is that a special screen?" Second, "with over 100 Sharp monitors now installed, we have not had a single failure or service issue." Third, Sharp is able to deliver new dis-



plays much more quickly than other suppliers. "In effect, our original vendors were asking us to inventory extra displays so we would have them when we needed them," Marrinson says. "That added a substantial hidden cost to the lower-priced displays."

Bruce Goldstein, Senior Business Development Manager, Sharp Professional Display Division, adds that the design of the video system itself helped in the change. "Since OnSite combines the television and computer images into a single high-definition signal, we were able to supply an industrial-grade monitor, rather than a consumer television. That makes all the difference."

Goldstein adds that Sharp's professional LCD monitors offer several proprietary technologies useful in bars, restaurants and other commercial applications. These include an anti-glare coating that enables them to be placed in brighter areas where other screens might appear washed out, higher contrast that lets viewers discern details they might otherwise miss and 176-degree viewing angles so images can be seen from almost anywhere in a room. Each offers 1920 x 1080 resolution, so viewers can watch high-definition programming and OSN's computer-generated content without any loss of detail.

Micro segmentation

Marrinson says the technology gives

his company much more than a slick delivery method. "Because each of our screens has its own Internet address, we can literally sell the demographics venue by venue to an advertiser. He can buy one sports bar or restaurant, several or the entire network."

An additional advantage is the ability to time the add-on advertising to run just after a broadcast commercial. "We've found that if there's an ad on the commercial TV screen followed within a certain period on our portion of the screen, the recall goes up very substantially," Marrinson says.

So far OSN is limited, but it's growing rapidly. "We're in Chicago, Atlanta, Orlando, New York City, St. Louis, Minneapolis, and Los Angeles, with about 1.4 million viewers per month."

Venue owners generally sign a five-year commitment, but they have the option to pull the service early by paying a penalty. "After one year, no one has asked us to take the screens out — although we've had a lot of people ask us to bring in more," Marrinson says.

"It's a very, very effective form of communication and as far as we know it is unique."