



# **CIOSI: Transit Asset Advertising**

**City Council Workshop Meeting**





# Transit Advertising Recap

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- 8/10/21: Council Workshop Presentation
  - Council consensus on Request for Information (RFI)
- 10/7/21: RFI sent to 11 advertising firms
  - Due back 11/4/21
  - Deadline extended to 12/10/21
  - Received 2 responses



# Discussion Points

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- Discuss response(s) from Request for Information (RFI)
- Determine if City should move forward with Transit Advertising Program
- If moving forward, determine best option to implement (RFP, Piggyback)



# Advertising Media Categories

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- Static - Posters in a display case (most common)
  - Recommend “General Market” and “Location-based” advertising
    - Neighborhood amenities
    - High foot traffic and/or traffic counts
    - Major intersections connecting key neighborhoods/districts



# Advertising Examples





# Advertising Examples





# Advertising Examples





# Advertising Media Categories (Continued)

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- Bus Advertising – Bus Wrap
  - Recommendation: test market with shelter advertising first and revisit bus advertising at a later date
    - If City decides to move forward with Bus advertisement, recommendation is to only advertise on Gus Buses



# Advertising Examples



Full Wrap

Partial Wrap





# New Logo Gus Bus





# Advertising Media Categories

## (Continued)

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- Digital & LED – Video type display
  - Market potential is there for this type of advertising at
    - Bus Stops
      - Upfront Infrastructure costs - \$40K-\$45K per location (fiber optics/power)
      - Due to infrastructure costs, expect lower Return-On-Investment



# Advertising Media Categories

## (Continued)

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- Audio – Recorded message at shelters or on buses (least common)
  - Not a strong market for audio advertising either at shelters or on buses
    - Passengers not there long enough to absorb audio
    - Without consistency & regularity of reach, hard to sell advertising
    - On buses, small audience – not best utilization of advertising dollars



# More Feedback Received

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- Highest ad revenue potential lies with large wraps on larger size buses (Valley Metro buses)
- Limited market for “Ticker Tape” advertising displays on interior or exterior of buses
- No minimum size requirements for advertising at Bus Stops
  - Most advantageous to sell full panels or wraps to maximize revenues
- Ads changed based on term of advertising contract



# More Feedback Received

(Continued)

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- Desirable for ad panel to be visible to both vehicular traffic and pedestrians
  - Visibility unimpeded by trash receptacles, trees or other signage
  - Consider traffic counts, foot traffic, location and utilization when placing kiosks and selling advertising
- Prefer to defer maintenance of ad stops to City
  - Agency responsible for cleaning plexiglass, repairing and/or replacing damaged advertisements



# Advertising Options

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- Prepare and release our own Request for Proposal (RFP)
- Piggyback off an existing contract in the Region
  - Mesa (OutFront Media – options available through 2029)
  - Chandler (StreetMedia Group, LLC – options available through December 2026)
  - Peoria (OutFront Media – options available through July 2031)



# City Comparisons

	Chandler	Mesa	Peoria	Phoenix
<b># of Bus Stops:</b>	260	100	38	1,100
<b>Contract term:</b>	11 yrs	10 yrs	10 yrs	5 yrs
<b>Maintenance done by:</b>				
City		X	X	X
Ad Agency	X	X		X
<b>Type of Advertising:</b>				
Digital	X			
Static	X	X	X	X
Audio				
Bus wraps				X
<b>Cooperative Contract:</b>	X	X	X	
<b>Annual revenue:</b>	\$158,500	\$25,000	\$60,000	\$3.5M



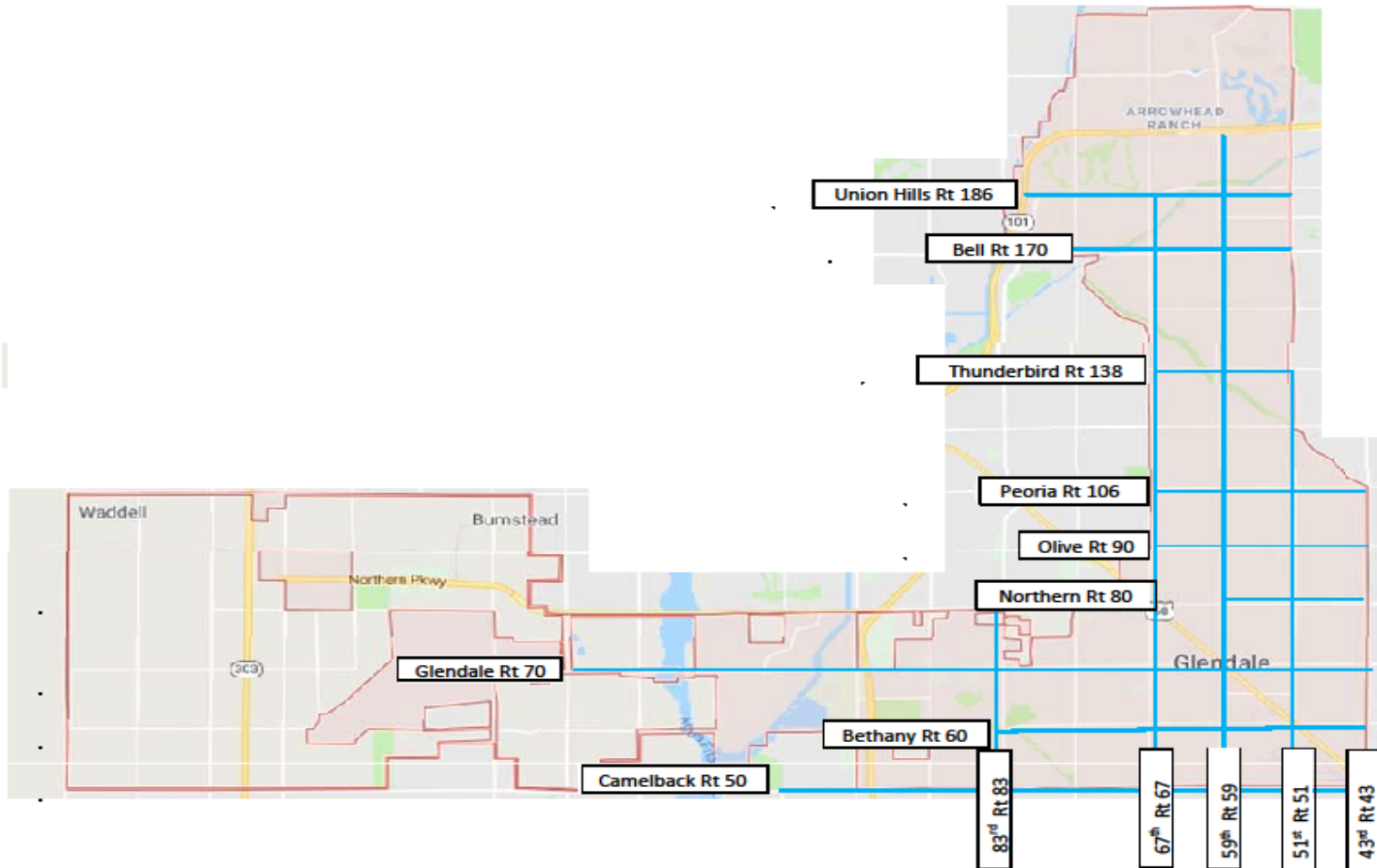
# Staff Recommendation

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- Implement Static Advertising Program at Bus Stops
  - Forego advertising on buses for now; revisit at a later date
  - Table digital advertising at stops due to infrastructure costs and low return on investment
  - Piggyback on existing regional contract (Peoria, Mesa or Chandler)
- Adopt City of Phoenix Advertising Standards



# Glendale Fixed Route Service Map





# Glendale Rendering





# Glendale Rendering





# Citizens Transportation Oversight Commission (CTOC) Comments

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- Concurred with Staff's recommendation
- Advised Staff that program should be managed properly to ensure program stays within scope
  - Transit staff will monitor and serve as program/contract administrator



# Transit Asset Advertising

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Questions?