

Pittsburgh Business Times - July 5, 1999

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Is restroom advertising a straight flush or just money down the drain?

Local company in turf war with Minneapolis agency

Pittsburgh Business Times - July 2, 1999 by [Tim Schooley](#)

CARNEGIE -- As the trigger fingers of millions of American channel surfers grow itchier with each passing nanosecond, Rebecca O'Keefe's sales pitch becomes more persuasive.

It's a sales ace in the hole that comes with a straight flush: Toilets don't have remote controls.

And in restaurants and bars throughout Pittsburgh, restrooms continue to offer something that television, radio and print media often can not: undivided attention for advertisers.

"It's a captive audience," said Ms. O'Keefe of the potty-trained demographic of restaurant and bar goers the ads her company posts above men's urinals and in women's toilet stalls reach. "They don't have the ability to change the channel or turn the page. It breaks through the clutter."

Ms. O'Keefe is general manager of [Advantage Indoor](#), a local company that specializes in restroom advertising -- known euphemistically as "indoor" advertising -- which had all but disappeared during the last year only to resurface last autumn under new ownership.

Started five years ago by a local lawyer named Lawton Stokes, Advantage Indoor fell by the wayside as his law practice became too busy for him to balance his profession with his business.

Now, Advantage Indoor has an office in Carnegie, a staff of eight and new ownership that includes Steve Charles, a salesman with experience in advertising and a principal of the company; James Yanni, a principal of Yanni Bilkey Investment Consulting, a Downtown investment firm; and Chris Guest, owner of Guest Inc., a company that provides mobile offices and storage.

Only now, Advantage Indoor also has national competition.

[AJ Indoor Advertising Inc.](#), based in Minneapolis, Minn., set up shop in Pittsburgh in January, bringing 13 years of experience to the market along with established business in nearly 30 other midsized cities.

Both firms are working to sign up as many quality eating and drinking establishments as they can in order to offer their advertisers the best value.

"With media becoming more fragmented, advertisers are looking for a more targeted way to reach their customers," said Jim Arabanos, president of AJ Indoor Advertising Inc., of the growing market. "If you look at a specific restaurant or bar, you know the age and income demographics that go there. Indoor advertising is a vehicle that can be targeted right down to the pinhead. You know exactly who you're reaching."

In its first six months in the market, Mr. Arabanos said that AJ Indoor has been able to sign on more than 130 local restaurants, including popular clubs such as Banana Joe's, Bar Pittsburgh and Harp and Fiddle in the Strip District as well as popular bar/restaurants in Oakland and the North Side.

In something of a turf battle, Advantage Indoor claimed it had signed up an equal total, boasting such establishments as Primanti Bros., Shootz Cafe, Margaritaville, Mario's and Blue Lou's, as well as a number of restaurants in the North Hills.

Based on an estimated 1,000 establishments in Allegheny County, Advantage Indoor hopes to

build its list of restaurants to 300 by the end of the year.

Meanwhile, Mr. Arabanos said the more established AJ Indoor has grown an average of 60 percent annually.

While both companies describe indoor advertising as an extremely young industry, they both argue that restroom ads are becoming more widely used and accepted.

Don Hunt, research director of the Outdoor Advertising Association of America, said indoor advertising is just part of the growing "out-of-home" advertising business that he expects to see eclipse outdoor billboards as a source of revenue in the next few years.

He includes indoor advertising with other marketing methods such as ATM screen advertisements, ads on public telephone kiosks, bench signs and bus ads.

It's an increasingly popular advertising niche that stakes a claim between the mature billboard advertising market and traditional mass media advertising.

Such out-of-home advertising now comprises \$2.1 billion in business per year, nearly half the \$4.4 billion spent on the total category of outdoor advertising.

"This whole idea is to reach people in the course of some daily activity," said Mr. Hunt of out-of-home advertising's growing popularity. Another important component to the out-of-home advertising strategy is to influence the potential customer close to where they'll buy.

"What advertisers are looking for now is how to get the message to potential customers closer to the point of sale," he added.

Hence, the restroom of your friendly neighborhood restaurant.

To Mr. Hunt, perhaps the most validating example that proved indoor advertising had reached mainstream acceptability came in a New York Times article a few weeks ago.

An acne medication made by Procter & Gamble, a widely successful and conservative Cincinnati-based corporation, was advertised in New York subway restrooms with the lettering printed backwards so women could read it in the mirrors.

"Ten years ago, if you had said Procter & Gamble would advertise in ladies rooms they would have thrown you out the door," he said. "But they decided they needed that kind of location and went to the effort of creating a unique angle to reach their target audience."

Along with major national advertisers such as Sony, Miller beer and a number of airlines, Mr. Arabanos said the biggest indicator of indoor's mainstream acceptability was that other media such as newspapers and TV stations were turning to it as a resource.

For Chuck Lucci, general sales manager for Rohrich Cadillac, a South Hills automobile dealership, the idea that advertising in bathrooms was a respectable practice hit him like a conductor's baton on the shoulder.

"The Pittsburgh Symphony had an ad," he remembered. "If it was classy enough for them, it was classy enough for me."

Mr. Arabanos said that an average bar/restaurant restroom had between 15,000 and 20,000 visitors each month.

Also, such advertisements had a very high recall rate.

As AJ seeks to increase its even mix of national and local accounts here, Advantage Indoor will continue to rebuild its local business.

With competition between the two companies, local advertisers will have greater opportunity to add to their more traditional marketing strategy with ads that reach their target where many potential customers still least expect it.

"I don't know what works and what doesn't work," said Mr. Lucci. "But the more we have our name out there the better off we are."

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