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Redgate Gets Serious About Outdoor

[Redgate Media](#) is readying a sales drive around outdoor media, grouping its current outdoor assets into a new division and hiring a national sales director from [JC Decaux China](#), Rena Geng, to run it.

Geng's appointment effectively christens Redgate Outdoor as a third major business line for the media company, sitting alongside Redgate Radio and a magazines arm handled by [One Media Group](#), in which Redgate has a major shareholding. A number of acquisitions to further bolster Redgate Outdoor are also on the cards, following the company's first forays into this space earlier this year and at the end of 2007.

"What we want to do is put the focus on the outdoor business as a business, not an individual subsidiary," explains Robby Yung, senior VP of corporate communications and investor relations for Redgate, which specializes in media and advertising in Greater China. "That is now being spearheaded by Rena's appointment."

The promise of reaching key sections of the population that tend not to watch a lot of TV, such as young adults and businesspeople, has made outdoor one of China's most dynamic media channels, experiencing steep rate inflation despite severe industry fragmentation.

Many outdoor operators are looking to build attractive offers for advertisers based on scale, but Redgate's outdoor push will focus on providing niche demographics in specialized locations instead, where the scope for competition is limited and advertisers can add finer targeting in cities saturated by outdoor advertising. Its investments are also judged on opportunities for cross-selling between Redgate's different divisions, as well as the potential to bring in additional revenue through multimedia deals.

"We'll stick with what we know, and what we know is advertising, and our particular base of advertising clients across radio and print and other divisions," Yung says. "Where we can offer those advertisers more value is in seeking new media opportunities."

The two outdoor businesses Redgate already has interests in, a firm specializing in golf courses called Flog and a company offering light-boxes in affluent residential compounds in Shanghai called Hong Men, are cases in point. Flog's golf-course network, rare in China where similar firms tend to represent single courses, should catch the eye of typically high-end magazine advertisers. Meanwhile, residential compounds offer opportunities for both upscale advertisers as well as more mass market brands advertising with Redgate Radio. Most advertising opportunities in residential compounds meanwhile is indoors, such as the TV screens supplied by Focus Media, differentiating Hong Men's outdoor offer.

It is this kind of differentiation that Yung hopes will give Redgate a foothold in China's sprawling outdoor market. "No matter what kind of media you're in, as long as you're highly targeted and can show advertisers the demographics that you're pitching, then you'll always have a competitive advantage," Yung says. "The challenge for some of the larger players in the market, even though they have a lot of coverage, is helping to articulate to advertisers who they're reaching."



Outdoor in China:
Redgate selling niche opportunities to advertisers

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