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Coke to Pitch Bottled Water To Subway Riders in Atlanta

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Coca-Cola Co. is heading underground -- literally.

Marketers have long relished putting their ads in curious places, from public toilets to luggage carousels at the airport, moves sometimes dubbed as underground marketing. But beverage giant Coca-Cola now intends to go where no ad has gone before -- into the tunnels of a major subway. Beginning this July, Coke will promote its Dasani bottled water via lighted boxes installed along a 900-foot tunnel wall located on Atlanta's North line, a highly trafficked area near business parks and affluent suburban housing.

The ad will be strung in a line with each box containing a portion of the Dasani message. As a train passes through the tunnel, the illuminated boxes will create the same kind of illusion as a child's flip book, in which an image appears to move as the pages are flipped rapidly. The Coke ad also borrows from the 19th-century toy called a zoetrope, a rotating cylinder with a series of pictures inside that appear to move as it is twirled.



A sample 'flip book' style advertisement; Coca-Cola will use a different image for its coming Dasani bottled water campaign in Atlanta's subway system.

The experiment by Coke is a bold push to make money off an area most consumers typically associate with graffiti, grime and the occasional rat. Atlanta seems a particularly good place to start, not only because it is Coke's hometown, but because its 47.6 miles of subway track are considered cleaner and lighter than those in some other cities. Atlanta started subway operations in 1979; by contrast, New York's subway system dates back to October of 1904. While much of Atlanta's subway system runs above ground, these ads will hang in a part that runs underground.

The idea for tunnel ads was created by Submedia LLC, a closely held outdoor advertising concern based in Manhattan, which is planning to take its services nationally. Advertisers will be asked to pay about \$35,000 a month for a tunnel ad in low-traffic area, and as much as \$250,000 a month for a tunnel in major markets, depending on construction costs. The transit systems will receive anywhere from 20% to 60% of what the advertisers pay; the rest goes to Submedia. However, the percentage shrinks if there is a high cost associated with putting up the frames that will hold the ads, says Matthew Gross, president of Submedia.

Metropolitan Atlanta Rapid Transit Authority, or MARTA, is looking to place 16 to 20 ad sites around its system and is projecting to take in \$15 million dollars over a five-year period. The transit system says the revenues will help them keep fares down and continue to provide good service. The ads will be hung between 2 a.m. and 4 a.m., when the subway station shuts down for the night. "This concept has the potential to place MARTA on the cutting edge of new advertising technology," says Nathaniel P. Ford Sr., MARTA's general manager/chief executive. Coke can expect the ad to be seen by many of the 299,800 commuters that pass through the Atlanta subway tunnels daily; the beverage concern won't disclose how much it is spending.

Submedia is currently talking with other transit authorities in New York, Chicago, San Francisco, Boston and Washington, D.C. The company has an agreement to install two yet-undetermined ads in the coming months on a test basis in the Port Authority PATH System in New York and New Jersey. "I always read the ads that hang in the inside of the train so I think I would read just about anything," says Michele Ivers, a New York commuter. "I remember on the B train there was some sort of colorful graffiti that adorned the tunnels -- I did find myself looking at it." Plus, she adds, "I think it's a good way to keep fares down."

Coke, which opened talks with Submedia last year, decided the offbeat approach mirrored the company's desire to "use innovative ways of building relationships with people," says Darryl Cobbin, vice president of consumer communications of Coca-Cola North America. Commuters will be surveyed to see if the ad is effective. Coke has an agreement with Submedia that gives the beverage concern the right to roll out more ads in additional cities if the approach clicks.

Since consumers think their lives are already cluttered by too many messages, Coke is moving cautiously. Unlike other transit systems, MARTA doesn't bombard commuters with ads in the trains. "MARTA probably needs to be careful because Atlanta commuters are used to a clean and natural environment," says Lalohni Alsobrook a MARTA commuter. "They need to be careful of overkill."

Although the first ad is still in production Coke says it will likely emphasize moving water, which many people find relaxing, like watching waves in the ocean. "Commuters are on the way home at the end of a busy day, and rather than sell something, we want to create a relaxing atmosphere," says Kellam Graitcer, senior brand manager for Dasani. Phactory Productions Inc., the New York design firm that is constructing the Dasani ad.

The renewed push to reach the captive, and often bored, audiences of commuters isn't limited to Coke and the U.S. The London Underground is in the process of drawing up a deal that will involve projecting ads onto platform walls. Heather Preston, a spokeswoman for the London Underground said ads will likely begin appearing next year. Currently, there are no plans for ads to adorn the inside of the tunnels, Ms. Preston added.

Submedia was founded three years ago by Matthew Gross and Joshua Spodek, who were buddies at Columbia University. Mr. Spodek, 29 years old, has a physics degree, which came in handy when devising how to make ads appear as if they are moving. Mr. Gross, 29, gained marketing prowess working at his family's wine and spirits importing business. Submedia says the subway tunnel ad marketplace will generate about \$100 million in North America within the next five years.

Some consumers see ancillary benefits, for their city: "Lets face it, Who goes in the tunnels? Rats and homeless people. No one pays attention to the cleanliness so if this helps, I think it would be great," says 46-year-old Les Speiser a Brooklyn, N.Y. resident who commutes everyday to Manhattan. He adds, "I think tourists would get a kick out of it."

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