



New Business Opportunities

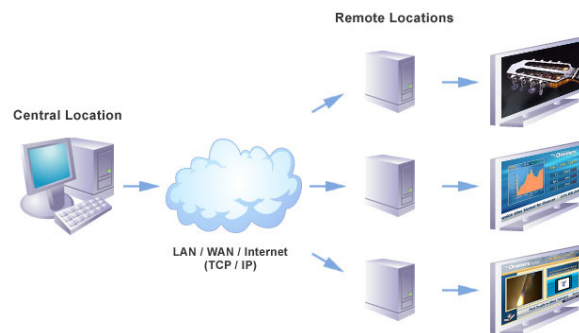


The Digital Signage Industry

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1 Environment

Digital signage are electronic displays that are installed in public spaces. Digital signs are typically used to entertain, inform or advertise. Major benefits of digital signs over traditional static signs are that the content can be exchanged without effort, animations can be shown, the signs can adapt to the context and audience, and even be interactive.



Digital signage advertising is a form of out-of-home advertising in which content and messages are displayed on digital signs, typically with the goal of delivering targeted messages to specific locations at specific times. Digital signage offers superior return on investment compared to traditional printed signs.

Advertisers are constantly in search of more effective ways to inform, to influence on the consumers' behaviours. Traditional advertising channels such as television, radio, newspapers and magazines, are losing ground in favour of "dynamic advertising" – 75% of purchase decisions are taken at the Point of Sale where brands have 20 seconds to convince. New technologies allow the advertiser far better, cheaper and faster consumer profiling, to adapt the message accordingly and to measure instantly the result of a campaign.

Digital signage have a large range of potential applications. Hereunder we illustrate some of them:

- In retail, communicating with customers about in-store specials, directing customers to other parts of the store, managing traffic and hotspots, and conveying brand messages;
- In banks, displaying interest rates and product information, as well as lifestyle messages and branding;
- In airports and bus stations, keeping travellers up-to-date on arrival and departure times while providing an advertising vehicle for shops and restaurants;
- In casinos and entertainment venues, creating a customer experience that is consistent with the ambiance and atmosphere of excitement;
- In doctors' offices and waiting rooms, providing entertainment to bored patients while giving an ad vehicle to pharmaceutical companies and other providers;
- In schools and on university campuses, facilitating a level of communication between parties that would have been unthinkable just a few years ago;

- In large corporation, to optimise the internal communication.

2 Opportunity

Generally speaking customers are confronted with product selections getting larger all the time, and the products themselves are increasingly nuanced and complex. Companies know they will need to continue educating customers in a fashion that does not feel like education – it will need to feel more like empowerment – and digital signage is a great way to deliver that education in an almost subliminal fashion.

Because the adoption levels are still quite low overall, all industry segments, including retail, financial, restaurant, hospitality, public places and corporate, to name just a few, stand to benefit from deploying digital signage in their businesses.

We are observing a significant shift in the thinking of executives and decision-makers, a shift toward much more open acceptance of digital signage and other media technology. Increased adoption is helping to drive this shift, together with a growing body of research that supports the positive impact of successfully deployed networks. When these benefits are combined with ongoing declines in hardware costs, the business case for adoption of digital signage has never been more compelling.

3 Analysis of the Industry

