



STAY OF THE TIMES..

While Digital Signage has become a staple marketing tactic for many larger organisations, it's struggled to make an impact further down the food chain. But with the promise of dynamic content, true accountability, and strong ROI, that's changing fast, says Mark Dye.

It's no good; we're going to have to fess up. We know it's rather ugly and unbecoming, and we're not proud of it, but it seems we've succumbed to technology envy. There. We've said it.

The reason behind this sudden (not to say disturbing) green glint in iQ's eye? Digital Signage. Specifically, that everyone seems to be installing it these days except us. Banks, retailers, the Post Office, cinemas, football stadia. They're all busy mounting flat screens on every available wall and filling them with high-quality value-added and marketing content. Hell, even London Underground looks to have caught on. It's started lining escalators with tellies for commuters to deface rather than just posters.

Problem is, not being a retailer or a bank or whatever, and not having too many escalators around the place, iQ doesn't really have the need. Oh well.

Lots of other businesses do though. And, for the first time, Digital Signage (DS) is starting to look like a realistic, affordable, attractive, and even profitable investment even for those without £multi-million budgets and hundreds of outlets. A far cry from the costly, complex, often difficult to justify DS solutions of only a few years back.

The reasons are manifold. Plasma and LCD display pricing continues to fall (solutions are now available at sub-£2,000 prices for a single networked screen and software); content is getting faster, slicker, and easier to create and manage; and there's more and more cheap bandwidth available to deliver it. The management overhead is shrinking too, with one person feasibly able to control hundreds and potentially thousands of DS locations and their content.

Some arguments for DS are more familiar than others. Control, speed, flexibility; the power and immediacy of message. But other, less immediately obvious, benefits are coming to the fore too. As David Smith IT director at Samsung explains: "With DS you have content control, instant delivery, there's no labour involved, and it's more visually stimulating too.

But there's a carbon footprint element as well, because you're not having to print stuff, send it, and then tear it up."

A further benefit is the power to reach customers without the usually requisite unwieldy, expensive marketing machine. "If you knew you could sit there and broadcast content of very high quality to different locations at different times on demand... it's like having your own mini marketing company", adds Smith.

The fact that up to 75% of purchasing decisions are made at point of sale (PoS) according to research, provides another powerful DS argument. "In France, this is known as the 'Croissant Effect'", says Frederic Groussolles of Cisco Systems. "You walk past the bakery, see, the croissants, smell the croissants, and make that instant purchasing decision."

Average spend on PoS advertising has been as little as 5% of total advertising budgets up until now, but as more businesses buy into DS and the like this is predicted to rise to around \$14.6bn within four years according to iSuppli.

"We believe that it (DS) is the future for media owners", says Alex Johns, MD of iblink. "There are 700,000 'six sheets' (large poster sites) in Europe which are owned probably by the 3 top media owners – the likes of CBS, Clear channel, Titan, and JCDecaux. They've realised there isn't any more room for 'six sheets' and so they're constantly looking for the next big thing. The next big thing is digital so they're going

around and replacing their existing six sheets with digital versions."

Of course, different DS networks are launched with different objectives in mind, with some simply aiming to deliver a better customer experience. But for others, says Brian Boakes, director of Strategic Marketing at EnQii, it's possible to underpin the business case with the promise of advertising revenue, with retailer benefits such as sales uplift, and even with a combination of the two.

"In terms of ROI, perhaps the most obvious example is Wal-Mart where their deployment of 3,000 screens in the US has added 2% to total gross sales", he says.

Nick Deen, senior market development manager with Sony Professional Solutions Europe, sees there being big take-up in two areas especially – banking and postal segments, and sports-entertainment, such as stadiums and music venues.

One of his biggest customers is La Post of France, with the postal company using DS in all outlets around the country, with more than 5,000 screens. "This is the largest DS network in Europe", he says. "They use this screen solution to communicate other services the company offers and to shorten the perceived queue-time."

Venue Solutions, one of the companies behind Arsenal FC's triumphant move to DS (if not necessarily to the Emirates Stadium), is currently trialling counter-television at a major UK-wide plumbing group and is already seeing promotions more readily accepted as a result.

"Even the most complex products, explained and supported by digital signage content are understood and bought more readily", says Roger Saunt, head of sales with the company.

And it's no longer just early adopters such as supermarkets that are driving DS uptake in the retail environment, according to Saunt. Specialist retailers such as trade suppliers and merchants are also stimulating growth. With this in mind, he says, DS is likely to become so powerful and ubiquitous that, in the longer term, firms that elect not to adopt some manner of DS-based advertising and marketing strategy could find themselves marginalised.

However, he warns, 'technology jewellery' simply will not do – to prove its worth and gain real traction, DS has to perform a specific, tangible business function. "Having screens won't increase revenues; ↴

ATM ADVANTAGE

ATMs look set provide a key conduit for DS going thanks to their intrinsically captive audience and the need to report back exact statistics on transactions during campaigns.

As Jack Vincent, head of media business development, ATM:ad, puts it, "... the ATM space is a no-brainer because you have a captive audience staring at a screen with nowhere else to go and nothing else to do. What we essentially do is fill any processing space at the ATM to visually stimulate the customer whilst they're performing their transaction."

This means either delivering a message for a third party advertiser like New Look, or perhaps the bank itself talking to its customers about a new product. Perhaps most interesting of all is the service's ability to target audiences by criteria such as sex and location.



iQ Insights:

DIGITAL SIGNAGE

but what's on them can. The content must not confuse the viewer and must have a clear call to action."

Which brings us back to the familiar old mantra of content being king. And though it's a little hackneyed, it's also true. As Tesco discovered to its cost not so long ago, it's a mistake to look at and treat DS like straight television for instance. Content that works well on a screen in one environment won't necessarily work well in another, so there are a number of factors that must be considered.

The starting point, says Boakes, is to gain a thorough understanding of both the objectives of the network and the audience that will be viewing and interacting with the screens. "Once these strategic questions are answered, a content 'channel' strategy should be created that delivers content that is engaging and relevant to the audience 'journey' and frame of mind".

For instance, where a supermarket would need short flash-video messages of around seven seconds to grab the shopper's attention and sell the product, in a fashion store it's generally more important to sell the brand – so a 30-second video showing a catwalk, or a sportsman or celebrity using the product, is often more appropriate according to Deen.

Having said this, the delivery of content tends to be the same, via an IP network or perhaps via flash memory cards.

"However, over time we will see more and more networks providing a level of interactivity which could come via GSM or Bluetooth", says Barrie Woolston, commercial director for Satellite Media Solutions at Arqiva. "If it's relevant then it works. If it's not relevant then people switch off", says Johns.

And the drawbacks? "You can only generate sustainable revenues if you're creating value for your customers", explains Joel Hopwood, head of Tesco Screens for Dunnhumby – the company that helped put retail the supermarket back on track after its initial ill-fated move to DS.

"The only reason advertisers will spend with you is if you're creating a change in customer behaviour. And you can only create a change in customer behaviour if your strategy is based around helping the customer. To anyone thinking of deploying a DS network, I would say this: Challenge yourself. Ask how it (the DS network) will help the customer's shopping trip." Answer that, he says, and you'll have something you can sell to advertisers.

"Go in with your eyes absolutely wide open and assess the market before you make any commitment", adds Woolston. "There are lots of promises being made and you have to be very careful when selecting your partners. The challenge is selecting the right partners in your individual niche." ■

DYNAMIC FLOORING



Destination Media has given DS a new wrinkle with its Sensitive Floor Network, which uses video projection and motion sensor cameras to create an interactive effect that responds to the movements or gestures of people who step onto the projection area. Using content from Nickelodeon, on its first weekend at The Metro Centre in Newcastle over 80,000 people spent more than one minute on it.

"The Sensitive Floor type of content will form part of the Digital Signage 2.0 era with new and far reaching effects and games that grab attention with measurable impact", says Saunt.