Digital Signage Explained   part one

With a little help from our friends we take a look at Digital Signage and what exactly does this mean and how you should plan for a successful roll-out.

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It is much talked about and has many meanings for many people, such as Captive Audience Networks (CAN), Digital Media Networks, Digital POS, Digital Signage, Digital Media, Digital Out of Home (DOOH), Screen Media etc, but what does it all mean?

We asked Tim Butler, Chief Technology Officer of Digicom and Arqiva's Head of Digital Media, George Eyles to give us their opinions...

GE... Digital Media Networks are the next generation of in-store and out of home media systems, offering a network of screens sited in a store, branch or public area. This technology offers unprecedented flexibility to deliver to customer's information, advertising and entertainment that can be easily tailored to their location and time of day.

The history of Digital Media Networks is replete with seed corn projects run by start up companies using loan and demonstration equipment. Inevitably, many of these have failed. All but random collections of ideas and technologies have hastily been plugged together by other enthusiastic players often leading to disappointment.

TB... As the years have passed, the business has grown from a specialist few to a specialist many. a-v is competing with IT and a number of solution providers for 24/7 multi-site networks with a broad range of technical and a-v needs.

However, all this expertise, technology or maintenance is a given as far as the client is concerned. What is really important is the audience because

whether it is for the brand or the advertiser or both, the audience is the key to all communications and in the end pays the bill.

How old are they? What sex are they? How often do they come here? How much do they earn? What do they like? Where do they shop? Can they shop here? How can we make them more likely to buy? Have they bought? What did they spend? How did they feel whilst buying? When will we see them again? Are they in a hurry? Where have they been? Where are they going? Who are their friends? What is the mindset whilst here? How can we use that to help us sell?

It isn't always easy to get the answers to these questions, but as you do, the requirements become clearer. The requirements for the whole digital signage network come into focus and who

needs to be brought on board to build both the physical and the content side of the proposition.

Whilst this may be obvious, there are a number of stakeholders involved in most digital signage networks including the estate owner, media owner, network infrastructure owner, local and national sales. Each of these stakeholders has a view on what is most important to the audience; this may at times be contradictory and complementary. As the estate owner, your requirements might be for ambient entertainment, brand build, promotions, environment communications and local messaging. As the advertiser you will want impact, engagement and return on investment.

The emergence of networks with niche audiences that appeals to national advertisers is very encouraging. With the trend for ever more targeted media spends, these networks are in prestigious environments that have long dwell times, uniquely open mindsets and a need for entertainment.

We know from various surveys, customers find screens and their content appealing

and compelling and in turn they are receptive to the messages they contain.

GE... Your objectives will influence the business model you choose. There are three main business models with the option to fulfill two or all of the models:

Entertainment. In this model, the network is deployed to create an environment to entertain and inform customers. When undertaken correctly this will increase footfall and dwell times leading to additional sales, however this is a long-term capital investment.

Revenue Generating. The network owner or operator earns income from selling advertising space on the network. In this model, the content displayed is normally a mix of advertising, editorial and entertainment. It is unlikely that an advertising only network will work within a retail environment, however it may be suited to environments such as the Underground, rail platforms, roadside, existing 6-sheet locations and bus terminals where waiting is a pre-requisite of the visit.

Cost Reduction
In this model, the network is deployed to save costs on the production and placement of paper-based Point of Purchase advertising, typically replacing poster displays with digital signage. If you do not intend to sell advertising space and plan purely to promote your own brand, services and products - or to provide internal training and communications - then you may wish to view your network as a long-term capital investment over three and five years.

You will need one, or more, partners:

Internal Partners
Who in the business is going to be touched by the network? Is there cross-company buy-in and sponsorship at a senior level? The implementation and running of screens will touch on many internal divisions with varying levels of invested interest. Without cross-company buy-in and sponsorship at

the highest level the project will not be as successful as it could be.

Content Partners
What content are you going to use? Will you want to re-use existing content as well as develop new content specifically for your network? Do you need to source complementary programmes such as news, weather or "lifestyle"? if so, who will work with you to source the content and secure the rights to display it? These partners may include marketing agencies, independent production companies, advertising agencies and possibly mainstream broadcasters and rights holders.

Media Planning Partners
If you intend to sell advertising space on your network, how will you manage this function?

Technology Partners
Which delivery platform is the right choice for you? There is a fundamental link between the cost of your network and the type of content it can support for display to your customers. Since the cost implications of your choice are significant, it is important that the technology is optimal for you.

Installation Partner
Something that is often not thought about and left to the last minute is the installation and roll-out programme. The equipment used in the installation and complexity of positioning the content delivery platform and all of the peripherals will govern the time it takes for the install and of course cost. We will look at this in part 2.