

Digital Signage: Is the Proverbial “Turning the Corner” Here?

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Anyone in the emerging technology business can relate to annual predictions that the next year was going to be the one in which their industry took off.

People in the digital signage industry have stopped doing that - because the business did, after many years, finally take off.

Almost any senior people I know and trust in the industry tell me 2015 was the year when ideas turned to actions, and pilots became rollouts. I'm the Group President for a software company that's been serving this sector for some 15 years, and I can tell you 2015 was up 92 percent over 2014. And 2014 had been a pretty good year.

It's January, and business is already looking to be up at least another 25 percent over 2015, So for ComQi, we are optimistic that we have strong sustainable growth.

But we are not alone, I hear similar stories from our business partners, as well as those top tier companies that sell competitive content management systems.

So what happened? Why did the business of creating and delivering digital display solutions in retail and other environments finally get traction with buyers, both small and very big?

Reason #1 - Lower Deployment Cost:

One major reason is that costs came down, on virtually all elements of the technology mix. Large flat panel displays cost a fraction of what they used to be. PCs also cost far less, but have far more processing and video graphics power and are now engineered to last in rough environments like shops, mass transport hubs and factory floors.

Reason #2 - Scalability:

The software and infrastructure that makes it possible to manage 100s or 1,000s of media players and displays, in locations across a country or around the globe, has also matured. The folks I talk to are looking for intelligent systems that can handle the scale of big deployments, minimize maintenance and management, and use smart planning and real-time data to precisely time and target messaging.

Whether it's in front of consumers or staff-facing, the right systems allow any messaging to hit these key notes: timeliness and relevance. We're getting way beyond simply broadcasting messages on screens and hoping they get noticed, as we move to the targeted narrowcasting of content.

Reason #3 - Full Service, One Point of Accountability:

We deal a lot with major retail, food and hospitality brands, and what we tend to hear is that they want to focus on their core business operations, and outsource things like their digital signage solution. They don't just want to buy and learn software. They want a company that brings proven capabilities, direct experience and ongoing support - one point of accountability to help with network and content design, content production, installation and then on-going support services.

It's a service model that's evolved with other technologies, and I know we're not the only company that's adopted and delivered that model. That seems to be where the market is now going and sticking.

Reason #4 - The Internet of Things (IoT):

The retail footprint is changing, as are shopper behaviors and expectations. We know our clients need to work with technology partners who can not only help deliver relevant messaging in stores, but also integrate and use all those technologies to drive businesses performance.

I'm talking, at least in part, about the impact of the Internet of Things (IoT). It's a buzz phrase, sure, but a lot more than hype. It's delivering valuable information for marketers. In a retail setting, for example, the ability to use real-time and stored data from a variety of systems - like sales, inventory, logistics - can transform in-store messaging. The machine knows not to bother promoting items that are short on stock, or how the shopper profile changes through a day, based on sensors, beacons and loyalty data.

We are told by some of the largest retailers that published RFPs during 2015 that "future-proofed" was the top attribute in their scoring of the different solutions. Retailers are looking for systems with open architectures and proven integration capabilities.

Reason #5 - Enhance the Shopper Experience:

Digital signage technology is also seeing accelerated adoption because it can drive better experience in stores - directly with shoppers and indirectly, by better informing and training customer-facing staff - The right message at the right time, that speaks to someone in the right way, can drive a purchasing decision and, in aggregate, make a dramatic impact on key performance metrics like overall sales, profitability, customer satisfaction and employee retention.

With some exceptions, store footprints are getting smaller. That means less on-premise inventory and more reliance on things like interactive touchscreens to enable the idea of

the endless aisle. Yes, you can look up different SKUs on a phone, but shoppers are logically more comfortable making buying decisions about something they see on a larger screen than on the 5-inch screen in their hands.

That said, digital marketing technologies are now giving us more and better data about shoppers and their journeys. With a top messaging platform, that data can directly shape what's on screens, where, when and why.

We're sensing the requirements and pressures in retail to drive more performance out of shrinking stores has positively impacted our market.

Reason #6 - Train & Motivate Staff:

The other aspect is staff training and motivation - something that rarely got discussed, but is now increasingly central to the discussions we have with our retail customers. Innovative solutions use interactive touchscreens to train and motivate staff, and messaging screens help them understand how to do their jobs better.

In some environments - like office campuses and back of house in consumer environments - we're also seeing rapid adoption of corporate communications messaging, because the HR and executive teams understand the efficiency and impacts that screens deliver. If you read studies on workplace satisfaction, you'll see a direct correlation between happiness and being informed. Networked screens can do the basics, and get the desired reach, far better than emails, paper drops on desks and posters in break rooms.

Looking Ahead

In pure business terms, it's of course exciting to see discussions turn into deals, and the sort of growth that we thought would one day happen. But it's equally exciting to mine the possibilities, and see what this technology can do to transform retail and other spaces.



About The Writer: [Stuart Armstrong](#) is the Group President of ComQi, an industrial strength content management platform built for scalable, targeted messaging in retail and other environments.