

The case for retail digital signage

By [James Bickers, editor](#)

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The buzz surrounding digital signage in retail is palpable; you can almost feel it in the air. It is not entirely new — video walls and LED tickers have been around for years — but the plummeting prices of LCD and plasma displays, coupled with the proliferation of broadband connectivity, have ushered in the era of digital merchandising at retail.

It arrives in tandem with a shift in consumer appreciation and expectation of technology's larger role in their lives. The world is filled with digital content — at home, at work, at play — so customers are beginning to expect it where they shop.

"In-store digital media is needed today because most consumers in North America now live with digital media via the Internet and hand-held devices at home and at work," said Bill Collins, principal with technology consultancy DecisionPoint Media Insights. "They like it. They interact with it, they search for information on it, they play games with it. It is such a fundamental part of consumers' lives that they would think it odd if digital media disappeared from their day-to-day experience at the precise moment that they walk into a retail store."

Wayne Ruttle, vice president of sales for [ADFLOW Networks](#), sees it going a step further. He believes customers are so used to digital media, they no longer see static point-of-purchase messages like they once did. Their eyes literally gloss over them. And if this is true, it is a point of no return, a breaking point that raises the bar for all retailers that wish to remain successful.

Plus, it just works better, particularly in a world where buying habits have changed so drastically.

"The increasingly fragmented nature of broadcast television and the advent of the DVR have made the traditional mass medium of television less efficient and often a crap shoot," said Ken Goldberg, chief executive of digital signage company Real Digital Media. "Digital signage offers a very efficient means of bringing the message to the 'last mile' of the consumer cycle. The message is delivered to the consumer while he is in the store, with merchandise in arm's reach, and a cash register nearby. Compare that with a message delivered to a consumer who is lying in bed, distracted, with a TiVo remote in their hand."

Customer education

People love to buy things, but they don't like being sold to. They want information, but they want to receive it in a way that feels empowering to them. To this end, digital signage is a natural way to deliver information about product differentiation, in a manner that people are accustomed to receiving.

"Consumers like to make informed buying decisions," said Jeff Hemingway, co-owner of digital signage software company [Storming Images](#). "Digital signage creates a wonderful opportunity for a retailer to inform the customer of product features and benefits. How many times have you asked a customer if they need help and you

heard 'No thank you'? Utilizing this technology within the retail setting allows the consumer the opportunity to become educated on the available products without feeling the perceived pressure from a sales person."

Some examples of ways digital content can be used in-store to educate shoppers:

- In a kitchen supply store, live cooking videos demonstrate features of various appliances.
- In an electronics store, features of new products can be shown in eye-catching fashion, with sample representations of those features in action.
- In an automobile dealership, bulleted lists of features and accessories can be combined with lifestyle videos and branding material.
- In a restaurant, digital menu boards can highlight the day's specials and new menu items.

In-store promotions

Retailers have long used end-caps and in-store signage to generate excitement for special offers. In-store digital signage gives the retailer much more power and flexibility with these campaigns, driven by two key capabilities: campaigns can be localized to a specific region within the store, and campaigns can be targeted based on time-of-day and day-of-week.

For instance, suppose a grocery chain is trying to improve sales of frozen foods. In-store digital signage would enable the company to run special offers on frozen foods elsewhere in the store, driving traffic there. Those offers can include time-sensitive details ("Hurry! Offer ends at noon today!"), or a password-type system ("Tell the cashier you saw this message to get 15% off frozen pizzas!").

More generalized messages can also educate customers about products or services they might be interested in, if only they knew about them. If a retailer has a food court or coffee shop, it makes sense to let shoppers know that a fresh batch of coffee was just brewed, or the rolls just came out of the oven. That kind of time-sensitive delivery is simply not possible with static signage; if anything, it replaces the intrusive and annoying habit of the loudspeaker announcement, which has long been on the decline anyway.

Use caution, though, when attempting to grab your customer's attention with any sort of media, as anything that he perceives to be an interruption will likely backfire.

"A good rule of thumb is to integrate these technologies as much as possible into a logical, consumer-friendly flow in-store," said Collins. "There is nothing wrong, per se, with using digital media to divert the consumers' attention, but this diversion must be done in a way that respects the consumer in that part of the store, at that stage of the shopping experience and at that particular moment in time. The last thing consumers want is to be interrupted — as they often are with e-mail spam, online pop-ups and telemarketing."