

Digital Place-based Media: The High Value Proposition

By Lyle Bunn

This article was published in the April 9, 2010 Wall Street Journal, East Coast Editions as part of a special supplement on Digital Signage / Digital Place-based Media published by MediaPlanet. Lyle Bunn served as principal writer and editor of this supplement, as he did with two previous supplements published in USA Today. He has published over 100 articles and regularly presents at media-related events.

Sir Martin Sorrell, CEO of advertising giant WPP has said “The digital economy is showing growth. I anticipate that a third of WPP business will be digital in the next 5 years.”

Andy Johnson, Executive Creative Director of the WalMart SmartNetwork describes the communications goal of “getting the right message to the right person at the right time to make commerce happen.” “It is entirely about “Return On Ad Spending (ROAS)” he said, noting that SmartNetwork results typically included increases in ad notice of 40%, recall of 32% and influence of 64%.

What Digital Place-based media means to the immediate future of communicators is that:

- The selling of products and services can be better achieved.
- Targeted communications can happen in a viable and efficient business model.
- An out-of-home platform exists to activate mobile and internet “audience-of-one” engagement.
- Data analysis can be advanced and data assets exploited.
- The work of communications can be done with minimal resources.
- Brand building, promotions and merchandising is focused fully on creative and effective messaging that speaks to and engages consumers.

“In working with several chains including Dunkin’ Donuts, Burger King and Pizza Hut, in-store digital media has created enthusiasm among store associates, educated customers about new products and increased sales by as much as 46% on items promoted on digital media at the point-of-sale.” said Noam Levavi, CEO of YCD Multimedia.

“Digital signage serves as a component of a larger consumer engagement strategy that allows network operators to fill the gaps in their understanding of purchasing habits and in-store behavioral patterns,” said Denise MacDonell, general manager of digital signage for Harris Broadcast Communications. “The technology behind digital signage can boost the ability of a business to engage with consumers on an intimate level, effectively lifting interaction to new heights. The investment in this kind of infrastructure is beyond simply playing video on attractive displays. It’s about leveraging technology to raise consumer interaction with your brand.”

The state-of-the-art Harris Corp. solution for the new Orlando Events Center comprises an HD video production and distribution and IPTV system, integrated with digital signage, which will allow the Magic to address individual displays throughout the arena

with stunning HD images that enhance the fan experience. Set to be the most technologically advanced arena ever constructed, the Orlando Magic's new arena will offer fans unprecedented access to event coverage, both inside and outside the arena, and provide significant new revenue-generating opportunities for advertisers.

"When compared against television, digital place-based media compares very favorably" says Cathy Stauffer, EVP Market Development of PRN. She adds "PRN's networks, for instance, which are measured regularly by leading research companies, including The Nielsen Company, give advertisers access to larger audiences for less money than television. Our networks are located in leading retail centers and major restaurant chains across the country, places consumers visit frequently to spend time and make purchase decisions. Our engaging media is customized, relevant and timely, and our screens are strategically placed and do not allow for ad-skipping. Put it all together and we deliver two-to-three times the brand recall of television. It's a very powerful value proposition."

Rob Gorrie, CEO of Adcentricity notes that "Today's advertising strategies are held to highest standards for ROI in history. At the same time consumer behavior and media consumption has changed dramatically, creating a highly fragmented landscape for marketers to effectively connect with their desired consumers prospects. DOOH now offers an ability to engage consumers in environments that are a part of their daily lives. Utilizing the digital capability of the medium, marketers can effectively deliver meaningful and contextual messages that are relevant to consumer's behavior within the environment".

Lyle Bunn is an independent consultant and educator in North America's Digital Signage, Digital Place-based and new media industries. www.LyleBunn.com