

## Retail - The New Media Channel

*By Lyle Bunn*

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“There's no longer any question that retailers and consumer product manufacturers understand the benefits of digital signage in the store” says Peter Breen, Managing Director of Content for the In-Store Marketing Institute. “We've moved beyond the stage where dynamic signs and networked content were viewed as a novelty that could make an impact simply by being there, to a period in which smart marketers are utilizing such new technologies to communicate with shoppers in unique, interactive and – perhaps most importantly – targeted ways.”

Breen continued “The Walmart Smart Network, with its integration of brand advertising and product merchandising and its ability to tailor content for shoppers at the store level, was a major step forward in this regard”.

Paco Underhill, founder and Managing Director of EnviroSell, the principal testing agency for prototype stores, bank branches and restaurants in the world whose books “Why We Buy” and “Call of The Mall” are published in 27 languages, told delegates of Digital Signage Expo in a keynote hosted by PRN that “digital signage is not a technology – it is an application.”

Underhill said “our visual language is evolving faster than our spoken words. We process images faster and it is a single language.” This makes digital signage a powerful appliance to improve retailer and brand success. He added “the value of digital signage does not decline, but increases over time when content messaging is refined”.

“Retailers are actively engineering the costs out of the supply chain” Underhill observed while urging retailers and consumer services providers to “give good store” since, he added “amenability and profitability are directly linked.”

“Marketers will only embrace digital media at retail if it boosts sales by communicating more effectively with shoppers”, observes Tom Opdycke, CEO of DS-IQ, which provides analytical and optimization services for the Walmart Smart Network. “So we built a software ‘brain’ that understands which messages, stores, and times generate the highest sales lift, then re-targets content to increase shopper response. We’ve shown that sales lift can be doubled or tripled when ads are re-aimed. Our bottom line is that the Shopper is really King.”

David Sommer, Managing Partner, MEC Retail, a division of Mediaedge:cia. MEC Retail is part of GroupM which buys a third of the worlds ads, approximately \$54 billion annually around the world for clients such as Campbells, Colgate-Palmolive, Mars, Energizer, Dr Pepper Snapple Group, AT&T and others. Sommers says “we at

Mediaedge:cia are passionate about finding the right marketing vehicles to achieve our clients' business objectives and in-store marketing and digital OOH is one of the new areas we are most passionate about because it actively engages consumers and delivers the goods!

Sommer continues “We believe in digital OOH because it allows us to reach consumers in a targeted and relevant way. We can serve up the right ads, to the right consumers, at the right time. And, it is a very engaging platform that allows for sight, sound and motion. In addition, we can create strong "calls-to-action". “We are very careful to measure the ROI (Return on Investment) for all of our clients' marketing initiatives including in-store. We analyze the Media Value (CPM), Brand Metrics (Awareness, Purchase Intent) and Sales Lifts (or business results) for every consumer touchpoint or marketing vehicle. After years of running digital OOH programs for our clients, we know if we get creative and develop an engaging advertising idea that includes digital OOH in the mix we see stronger business results for our client - we see amazing results through innovations well executed.

“Most digital signage providers are focused on the task of delivering focused messages to customers as they make purchase decisions throughout the store” says Richard Trask, VP Marketing, Starmount Systems Inc. adding “however, for an in-store retail marketing strategy to be successful in today's business environment it is desirable to integrate all of the in-store systems into one framework that enhances the total marketing strategy of the store.”

“There’s no better place for a consumer to receive a message than when they are poised to buy in-store, where POPAI research has shown that as many as 70% of buying decisions are made” says Dick Blatt, President and CEO of Point of Purchase Advertising International (POPAI). He adds “Digital signage is being used, often as part of comprehensive “Marketing at Retail” strategies, as many traditional mass media vehicles deal with an audience that’s grown more technologically-empowered and hence harder to locate and deliver. Digital signage has become a powerful tool that are being integrated into many of today’s comprehensive in-store strategies.

Blatt notes that retailers are searching for ways that create breakthrough advertising and reinforce their own branding in an era that is growing ever more challenging with each new device that emerges that lets consumers control the messages they see and hear. He says “Digital helps retailers to create highly targeted messages to consumers based on screen locations within departments, based on high volume store traffic locations and even by programming messages by daypart based on the demographic profile of shoppers. Placing digital in close proximity to the shelf position of the product being advertised creates positive disruption, creates awareness and drives product sales. Digital networks can contain messaging that allows segmentation to appeal to different types of consumers, shopping moms during the day, and other demographics in evening and early morning hours. Digital signage can also help extend the storefront in some locations by having 24/7 messaging to passers by featured in the store’s display window.

Laura Davis-Taylor, Founder, Retail Media Consulting says “Digital signage is a critical element to "connect the media connections". Brands spend oodles of money driving advertising messages to people in homes, but it's when they're going about their lives outside of home that they can do something about them! As an ad vet myself, it never made sense to me that the industry was so focused on blasting messages but never truly supported those messages to people in stores. It fell apart as soon as you walked in the store doors. Now, with the flexibility and power of media tools like digital signage, they can help someone follow through on that awareness effort to (hopefully) make a purchase”.

“For retailers, if they have the right network and content strategy, they can help shoppers, empower employees and support many operational, corporate communications and HR efforts. This translates into more sales... and since stores exist to sell stuff, it just makes sense”.

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