

# The Digital Signage “Log Jam”

## ***Revenues Through “De-jamming”.***

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A “log jam” has been holding back Digital Signage deployments and revenues. Though the problem does not appear to exist because the sector at large has been growing at a reported 23+% compound annual growth rates (CAGR) and flat panel shipments for commercial use in particular digital signage is reported at 40+ % CAGR as almost a million displays of 27” and larger have been deployed in North America.

Many suppliers are enjoying double digit growth and have been through the economic hardships of the past several years. Synnex Corp. for example has had 74% year-over-year growth in digital signage.

Digital Signage has the proven ability to generate sales lift, service enquiries, reduce perceived waiting times and dramatically improve communications to staff, students, patrons, visitors and add substantially to their experience at a location at points of purchase, transit, working, study, entertainment and gathering.

The numbers look good – particularly in this economy – but a log jam exists. Despite proven results and clear growth, substantial pent-up demand of projects and purchasing still exists. This means that intended projects are slow to move to deployment, build-out rate is retarded.

This means that the full benefits of DS and place-based media are under-realized by end users while many individual suppliers and integrators experience slower revenue growth, challenges in forecasting and higher cost of sales due to extended sales cycles.

The log jam is an economic tragedy from every perspective, but is a huge opportunity to “de-jammers”.

The log jam appears to be caused by five problems:

***Insufficient knowledge about digital signage*** by those who could advance its planning, supply, deployment and ongoing operations. Knowledge of the application, its technology ecosystem and how to get the most from the investment lead the list of knowledge requirements.

***Lack of accurate information about return on digital signage investment.*** While every suitably planned deployments shows significant results and achievement of communications goals, the competitive value of the deployment results in little performance information being placed in the public domain. Non-disclosure requirements

placed on suppliers mean that often this information cannot be used to advance similar projects.

***Confusion about technology and sourcing options:*** Many projects have long “product investigation” and sourcing cycles, often resulting in greater confusion. Since the response to confusion is always “no,” the time and energy needed to plan and advance projects is increased and the “return on time” invested decreases.

***The lack of use of proven structures for advancing digital signage projects:*** Digital signage is a business application that applies information technologies. By cutting corners on System Development Life Cycle processes that are typical of business application planning and deployment, and focusing on technology selection and sourcing, the milestones and checkpoints of investment do not occur as project elements, which stalls and distorts project progress.

***A mountain of information about digital signage is available:*** The log-jam is caused by it being cumbersome to navigate in order to pull useful information from, it being too high level, not specific enough, supplier-biased or more opinion than fact-based.

At the same time, there appear to be solutions to each of these problems and the digital signage “de-jammers” that bring solutions will reap the rewards.

End users are willing to listen, draw from, hire and source from credible sources of perspectives and experience. So doing just a few things positions suppliers as a credible “go-to” resource – resulting in projects moving forward, revenue flowing and unfilled demand being met. These few include, for example;

1. Become knowledgeable about digital signage in the area of the market and uses that most applies to you - and then leverage this growing knowledge into new areas.
2. Drill deep and keep searching for return on investment (ROI) information. “Seek and ye shall find”. This ROI information is a key tool to assessing project opportunities, winning credibility and defining/monitoring project success while refining, “tuning” and advancing the project.
3. Learn about the technology options generally and then deepen your knowledge of a range of tools applicable to your focus. It is of critical importance to know how technology elements inter-relate and interoperate, in particular as applies to the total cost of ownership and the operating costs associated with different options.
4. Learn and use proven structures to identify, plan, deploy and operate DS. These are available from programs such as “[SPEED](#)”, sites such as [www.LyleBunn.com](http://www.LyleBunn.com) (author of this article). Look for programs provided by those who have actually planned and deployed networks, can provide vendor-neutral instruction and are

approved by industry associations. Programs included as part of a conference or multi-supplier event are also useful.

The rewards always go to “the capable” and capability in Digital Signage, as in other areas is defined by knowledge and experience.

The log jam is real, as are the problems that are causing it and the rewards of addressing these problems.

The fastest path to the rewards is by drawing on knowledge, experience and proven best-practice.

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