

The eyes have it: The power of digital signage in retail premises

Digital signage is steadily working its magic in the retail space.

Many big retailers now recognise that if used smartly and underpinned by genuinely robust broadband connectivity, the technology will generate sales and enhance their customers' shopping experience. It has moved on from the days when poor quality screens irritated customers with monotonous, blurry product videos.

Contemporary digital signage is positioned at optimum locations within a store, using high-quality screens or interactive pods that engage specific audiences with sophisticated content matched to their interests.

So, for instance, when a store opens its doors in the morning, the content on its screens is tailored to the high proportion of young parents who have just dropped off their children at school. Then, at lunchtime, the screens display a different type of product information, aimed at office workers popping in, while in the afternoon, the promotions are changed to match the high percentage of pensioners in the store.

Since content is streamed or downloaded from headquarters, it is now easy for a retailer to time displays and alter content. Equally, in large premises, retailers can vary the types of promotion displayed from one screen to another, adapting the content to the demographics that are attracted to particular product ranges or locations.

On the other hand, a retailer who wants to provide more complex content can divide individual screens, so that for instance, a news ticker streams across the bottom while product and company information are displayed in other segments.

There is evidence that effective use of digital signage in the ways outlined above will boost sales of items that are not selling well by 10 per cent, while impulse purchasing can be increased by anything between 18 and 20 per cent.

The technology now in use also means it is easy for the head office to ensure the messages are consistent across a retailer's operation, avoiding conflicting promotions, out-of-date information or offers. However, there is room for local input. Studies have shown that having promotions or information relating to the individual store increases viewer attention by 100 per cent.

Whatever information is displayed should immediately grab the passer-by and get the message across quickly, as shoppers' attention spans are known to be very short in this regard. When considering what to display, a retailer has the option of generating its own content or employing a third party with the expertise to come up with more complex material, including animation.

Yet digital signage is not just about passive audiences. It is possible to interact with customers by promoting numbers on the screens that they can call on their mobiles, giving access to information or offering the chance to take part in surveys.

They can also use touch screens in smart kiosks, enabling them to view product information, demonstrations and to place orders. Major retailers like Argos have adopted these types of kiosks, along with Marks & Spencer and many pharmacies.

In the back office too, digital signage has an important role to play in training, engaging and retaining employees, making them better informed about products. Indeed, sales of seasonal items are known to have increased by 12 per cent year-on-year, after staff were shown videos about the products, their features and benefits.

Effective digital signage does not happen by accident. It has to be underpinned by robust broadband connectivity, preferably through a managed services provider that will also take care of installing and maintaining media players and screens, meaning the store operator only has one company to deal with.

The infrastructure is straightforward enough in major cities, but bandwidth is a consideration, and for widely dispersed sites, satellite networking may be required.

Once these fundamentals are in place, digital signage will really start to transmit success.

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