

# Customer-centric strategy is key to digital signage solutions

By Peter T Vrettas, EDR Media

## Consider the revolution

Using media to attract customers at retail 10 years ago, generally meant showing a product demonstration on a small video monitor — and that was considered revolutionary! Five years ago the advent of digital signage caused another revolution, enabling retailers to capture attention with rich media that communicated their brand messaging.

Today, thanks to increasingly sophisticated hardware and software, digital messaging has taken another leap forward — with interactive digital media. Powerful, compelling, and flexible, today's digital signage systems create a customer-centric environment that takes the shopping experience to a whole new level. When developed and implemented correctly, they offer tantalizing new opportunities to differentiate your brand.

Central to a digital signage system is the concept of narrowcasting — the networked distribution, display, and management of targeted information and promotional content in public spaces. However, in addition to passive promotional messaging, digital signage systems can also include interactive store-wide and point-of-purchase display systems. And their display devices can range from a simple monitor, to a flat-panel screen, a media wall, an LED display, or even a projector.

## Focus on the customer

A retail executive who is considering a digital signage system shouldn't let the tail wag the dog. Content, rather than hardware or software, drives digital signage. And the best digital signage systems are focused on customer-centric content — messaging that puts your customers first by telling them what they want to know, delivered in a way that they enjoy. If you can communicate a relevant message and allow customers to control their shopping experience, you're more likely to gain their loyalty and ultimately their business.

There is practically no limit to the messaging possibilities for the retailer — from brand image spots, to product information, to promotions, to community information, to entertaining trivia, to live news feeds. In addition to all this, there's also an intriguing bonus — the ability to display vendor advertising and generate revenue.

Most retailers today understand that a digital signage system can target messages to customers by location and by time. What's not understood is that technology now allows them to be much more granular. Using RFID and other technologies, digital signage systems can be designed to work at the department and individual levels, targeting specific customer profiles with the type of product information they want, delivered in the way they want to receive it.

Today's digital signage systems have also transformed customer communications into a two-way street. They also allow retailers to receive important information on customer preferences and buying patterns that can impact vendor selection, buying, inventory and other supply chain decisions.

## Engage the application developer early

In short, digital signage systems have evolved from tactical retail tools to strategic retail solutions. The most successful implementations occur when they are part of long-term planning at the highest executive levels. Helping executives shape and implement their digital signage system is the job of an in-store media application developer, or 'media developer'.



The media developer's role begins by helping executives look at the digital signage system from the 30,000-foot level. They initially consult with the retailer on the system's goals and objectives, advise on how to identify and reach specific customer profiles, and recommend ways to create a retail environment that is truly differentiating. The challenge is to match a retailer's messaging needs and budget with the best technological solution — in terms of content, delivery and display. And the goal is to objectively recommend the solution that best gets the message across — efficiently and cost-effectively. Finally, the media developer will help determine who will create the application's high-impact content — and then manage, deploy, and update that content on a daily, weekly or monthly basis.

## Consider holistic solutions

For many retailers, the preferred digital signage solution is holistic — a single, powerful, platform that offers maximum flexibility and scalability.

Store executives can then customize and expand as they see fit. This means that a digital signage solution can start with simple promotional messaging on LCD screens, but have the long-term ability to accommodate more complex programming on a variety of display devices – such as interactive point of purchase product sampling, kiosk-based department-specific content, and live entertainment feeds on high-impact HD media walls.

The options don't stop there. A digital signage system can also have measurement tools that communicate customer usage and selection preferences that are invaluable to market research and purchasing. It can integrate with existing POS and inventory systems so that SKU-specific messages can stay up-to-the-minute. And as a bonus, the same system can offer back-of-the-house employee training programs and corporate announcements that also translate into an improved customer experience.

In short, a digital signage system allows retailers to think about the store in an exhilarating new light – not a passive area where transactions occur, but a proactive, customer-centric environment that helps make the sale. When implemented correctly, a digital signage system can transform the entire retail space – making it more relevant for the retailer as well as the customer, every step of the way.

## Embrace the opportunities

Today digital signage systems serve a broad spectrum of retail clients – from financial institutions to entertainment complexes. And they communicate everything from mortgage rates to how a vacuum cleaner works. At first blush it might seem that what's good for the banking customer is irrelevant for the appliance shopper. Not so! It's the job of the application developer to show a client how the technology used in one retailer's scenario can apply to another retail environment – to improve the customer experience in ways never thought of before. For example, a restaurant lobby might seem a long way from a casino poker table, but today they can both use similar digital signage applications to serve their clientele.

Here are just a few of the ways that retailers are using customer-centric digital signage to transform the retail experience:

- Flagship and 'grand opening' stores communicate to customers before they walk through the doors, using exterior LED messaging systems to welcome customers and entice them with what's to come. The system can periodically switch to a live local weather data feed.
- In the store entry area, digital displays are offering a warm video greeting that highlights up-to-the-minute promotions, including inventory sell-offs triggered by POS data. When the SKU is exhausted, the message automatically switches to a different promotion.
- Interactive 'catalog' kiosks allow furniture customers to view extensive product lines, then select and print a shopping 'wish list.'
- Department-based interactive touchscreens give customers the ability to select and customize a product – whether it's a computer, a tuxedo, or kitchen cabinets. At the same time the touches are recorded and tracked so the retailer can compare time and product data with actual sales.

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- RFID and digital signage are becoming powerful partners. If a customer picks up an item with an RFID tag, a nearby digital display automatically switches to specific information about that product, including runway footage, color options and demonstrations.
- Within a department, retailers are combining both passive and interactive devices to cater to the way different customer profiles like to learn and shop.
- Vendor-sponsored shelf talker screens mounted in a drug store gondola or embedded in a cocktail lounge table promote weekly specials and help lift both product and category sales.
- LCD screens mounted along an escalator are enhancing brand identity as well as providing department locations and special events.
- Flat screens and specialized software installed in restaurant lobbies display table wait status and communicate personalized customer messages, like 'Happy Anniversary' and 'Happy Birthday.' They also inform casino poker players when and where it's their time to play.
- Dynamic, event-triggered slot topper screens go from standard messaging to 'winner' announcements when a casino player hits a jackpot.

## Manage the system with vigor

Once the digital signage system is in place, it must be fed with constantly refreshed content determined by the retailer. Working behind the scenes to make sure this all happens, minute by minute, is – once again – the application developer.

The best in-store media developers offer comprehensive content creation and management services that include asset gathering from both in-house and outside sources; art direction to establish a look and feel consistent with a retailer's brand image; graphics and video production; programming to operate the digital signage platform on a designated delivery system; content scheduling; playlist monitoring to verify advertising inserts; and frequent content updates based on a predetermined schedule.

An experienced media developer also works with retail executives to keep the programming continuously customer-centric, and constantly brings new technological and content ideas to the table.

## Ensure success

Today it's no longer a question of whether digital signage has a place at retail. It's a question of how far it can go in transforming the retail environment. As each successive implementation is proving, the power of this new retail tool is limited only by the imagination. However, strategic solutions that focus on the customer – by enriching the experience, offering new knowledge, and personalizing the purchase – hold the key to long-term success.

Retailers who use an experienced application developer from the earliest stages will ensure that their specific solution benefits from the latest industry knowledge, creativity and technical expertise – and truly connects with their customers. ■

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