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**Five trends in digital out-of-home advertising**  
**by Bill Yackey \* • 27 Aug 2009**

More attention is being paid to digital out-of-home (DOOH) advertising as companies in the space are beginning to consolidate in an attempt to gain critical mass (See the Danoo, Ideacast acquisition), while organizations such as OVAB continue to push forward in solidifying metrics so that DOOH can be competitive with other forms of advertising.

Several trends in this industry have emerged, many of them being covered in a webinar earlier this summer by Lyle Bunn, Chris Connery of DisplaySearch and NEC. Below we isolate and explain some of those trends:

1. Strong growth in retail

There is a reason why retail is one of the fastest growing sectors in the digital signage space. Digital signage has the potential to produce sales uplift, in addition to enhancing the customer experience. And when it comes to advertising, those kinds of positive results are of the utmost importance.

Bunn explained in the webinar that he is seeing sales uplift of up to 50 percent from companies implementing digital signage, based on post-install surveys. The CPM for digital signage that networks can charge advertisers is also going up, particularly with the use of anonymous audience metrics that provide more accurate viewer data.

2. "Relevance" is the new king.

The jury is now in. It used to be that content alone was king. In fact, the major growth area in terms of best practices is in improving the quality of the content that is delivered to a targeted audience. Now its relevance is the new king.

Users can show all the fancy ads they want and measure audiences for months on end, but unless that audience is going to have some kind of connection to the ad, it is a worthless endeavor.

3. More local input

As part of efforts to make content more relevant, digital signage deployers and providers are finding that hyper-local content is highly effective for getting viewers' attentions. Most often, this comes in the form of local news headlines, announcements or weather. Whichever type of content is displayed, the key is to make it as targeted as possible.

It is becoming a best practice to insert a local input window into the screen layout, where managers and directors on the local level have the ability to instantly update content tailored specifically toward their audiences.

#### 4. "Pictures are our new language"

In his presentation at Digital Signage Expo 2009, renowned retail consultant Paco Underhill said that "pictures are our new language." In no other industry is this more relevant than digital signage.

As a whole, we are moving away from words on a screen and letting high quality images and dynamic video tell the story. Ad agencies looking to gain some consistency in messaging are understanding that the ability to communicate with pictures is becoming increasingly important to the advertising community and the consumers it is trying to reach.

#### 5. Increased mobile display

Another strong area of growth is the shift toward mobile digital signage. Two key examples are bus lines and elevators, which in the past couldn't get real-time content updates on the move, but are now enabled due to advancements in broadcast and wireless content delivery.

Take the Capital Area Transit (CAT) buses in Raleigh, N.C., for example. In April 2009, WRAL in Raleigh announced that as part of joint effort with Harris Corp. it would be broadcasting mobile digital content to screens in CAT buses. In addition to providing passengers with news, weather, entertainment and local information, the mobile DTV initiative provides a medium for hyper-local advertising via the digital signage system and promotes restaurants, stores, shows and events along each bus route.

#### Moving forward

The digital signage industry remains hopeful that DOOH advertising will continue to grow and work toward being a viable ad medium in the eyes of brand marketers. Fortunately, research has helped with that. Arbitron reported this month that approximately 155 million (67 percent of) U.S. residents aged 18 or older have seen a digital out-of-home (OOH) video display in the past month. PQ Media expects the U.S. DOOH market to grow at a CAGR of 12.9 percent through 2012. And from an industry perspective, announcements of DOOH ad buys like that of Schering-Plough earlier this year show that DOOH is finding its place in the ad communications continuum.