

Gap Analysis for Digital Signage Planning

By BUNN





Gap Analysis for Signage Network Growth

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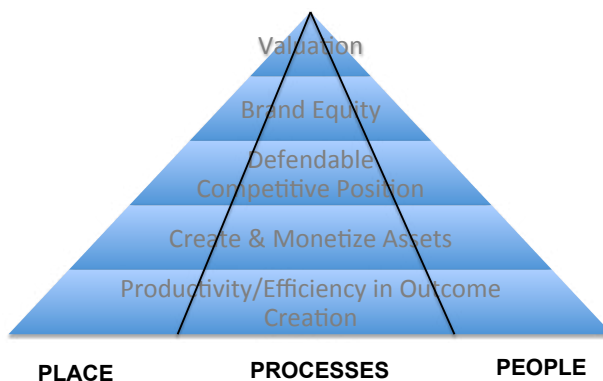
This describes the value of conducting a gap analysis toward operating efficiencies and higher return on investment by digital signage. It provides major steps in such an operational review.

2017 is the Year of Gap Analysis for many Digital Signage networks and installations. The medium has continuously met the needs for improved branding, merchandising, information and engagement communications in delivering tangible business benefits when it is suitably applied.

Success and contribution of the medium has typically been realized under the direction of marketing, human resources, facilities operations or other line of business. Many systems have operated as a silo or stand alone application, even as additional systems are added to support other lines of business or specific objectives. And they have been used to support changes in enterprise focus or operations, or even new service models such as variable pricing or product promotions suited to different audiences or day parts.

A hierarchy of needs exists for all organizations. Corporate valuation is the highest level of need, followed by brand equity, a defendable competitive position, and the creation and monetization of assets with the productivity of creating outcomes in the course of business serving as the foundation.

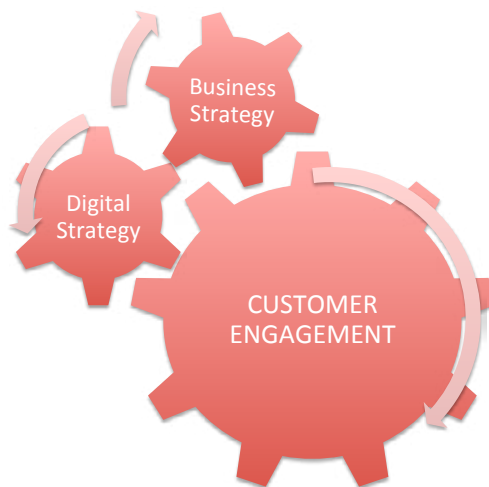
Corporate Hierarchy of Needs



Digital signage makes a positive impact on each of these levels of need by improving the productivity of places, processes and people. Therefore, the medium is increasingly central to the contributions of the chief executive, operating, financial, marketing, information, facilities, human resources and technology officers.

Given its impact, digital signage and dynamic place-based messaging and interaction has a place in the digital strategy that supports the business strategy toward optimal Customer Engagement (or staff, students, travelers or other target audiences).

Within the omni-channel approach, digital signage supports enterprise success in branches, stores and other physical places. While omni-channel has been typically focused on the online and mobile strategies for customer and staff engagement, these are supported and extended by the on-location experience.



Customer Experience and engagement expectations have evolved within most enterprises and on the part of patrons, staff and viewers. Updating the digital signage plan based on these increasing priorities keep the digital signage investment relevant.

Efforts to simply sustain the digital media service and underfunding have too often resulted in outages, higher than expected operating costs or content that fails to maximize the fullest benefits from the digital signage investment.

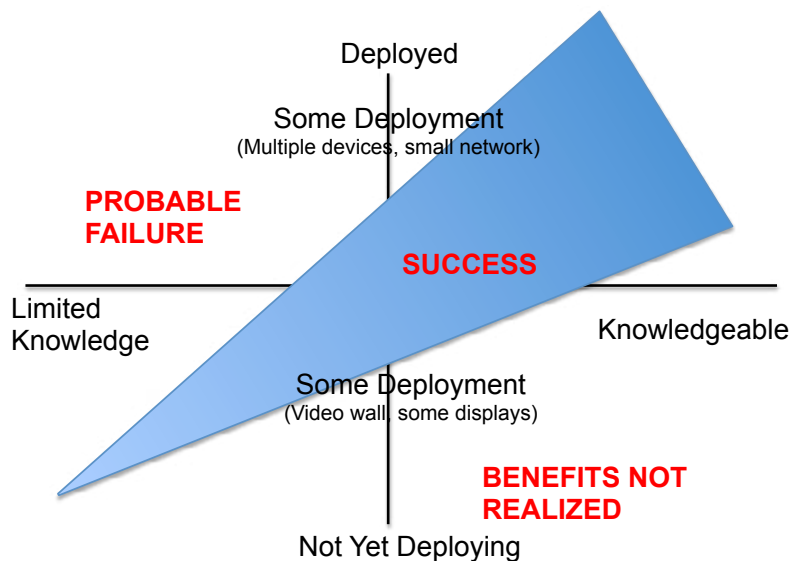
The symptoms of struggling digital signage include:

- Poor communications results,
- Lower than desired levels of viewer engagement including their noticing messages and acting based on them,

- Difficulty in getting new content or advertisers,
- Higher than desired costs of ownership and operations,
- Lack of integration with other communications approaches and campaigns,
- Outage and inadequate/challenging/expensive system support.

Many systems are ready for corrective action, right-sizing or expansion with additional displays, more types of displays, interface to other operating systems or integration with other screen media such as video walls, tablets, mobile or handhelds that have emerged in omni-channel communications.

A gap has emerged between the system that is in place and what could better serve business goals.



Knowledge is the key to successful planning, deployment and operation of digital signage success. Too little knowledge will result in failure and too little deployment results in benefits not being realized. The levels of knowledge and deployment result in success when these are well balanced.

In the life cycle of a Digital signage project/investment, initial deployment is used as the proof of concept. Following an initial period, operational approaches are put in place and typically, additional displays are added at a pace dictated by available funding and benefits realized.

System growth is commonly incremental and can become very demanding on resources, internal personnel and suppliers. Frustrations can easily lead to network investment and operation that warrant review and refinement.

The efforts to get digital signage operational often results in it becoming simply a communications, funded on the basis of business value. But this can erode over time.

A Gap Analysis is used to assess the differences between the current state of digital signage value and benefits that could be realized, along with defining the steps needed to realize the greatest return on investment. *Gap* refers to the space between "where we are" (the present state) and "where we want to be" (a target state).

Gap analysis aligns with the organization, impact assessment, opportunities identification, consensus building, problem resolution, process streamlining and future planning. The objective is to generate maximum return on investment from digital signage application.

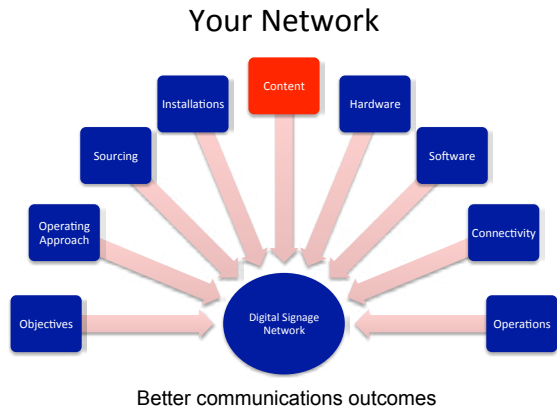
Gap analysis provides refinements to the course of action so that higher levels of return on investment can be realized. It provides seven valuable benefits to digital signage and dynamic media operations including:

1. Validate the investment
2. Reset objectives
3. Assess performance against objectives
4. Review Content strategy, tactics and composition
5. Improve audience targeting and day part structure
6. Right-size the technology
7. Plan for remedy and growth

Approaches to repairing problems, addressing hardware and software impediments to network success and growth, alignment with the enterprise, content improvement and funding approaches are typically at the top of the list.

Objective assessment defines what can be improved, while planning determines elements that can deliver more benefits to the brand or organization.

The Digital Signage investment should deliver a range of benefits in the areas of increased revenue, reduced costs and adding appeal to an environment. The wider the range of benefits the greater the value of the DS return on investment (ROI).



Four elements typically need attention as the number of display points and signage usage grow:

Analytics related to audience volume, viewer interest and messaging impact provide the basis for investment validation and optimization.

Many networks can benefit from third party funding as advertising or sponsored content. These revenues are achieved through the combination of audience metrics, information about the viewing context (i.e. what is the viewer doing when they see the digital sign), a pricing approach and a process for engaging and administering the third party funding.

Content strategy, which encompasses intended outcomes, playlist structure for audience targeting and calendar-parting, style guide, dynamic data feeds, database interfaces, message composition, localized messaging, content sourcing, transmedia and driving viewers to online, mobile and social media.

Executives have reported disappointment in digital signage, noting that the benefits have been costly to achieve. Others have been pleased by its value and are seeking benefits on a larger scale, and wish to better integrate digital place-based media into communications approaches to the patrons, shoppers, travelers, staff and students that they are targeting for revenue and brand growth, and productivity. These same end users and network operators often reflect that minimal effort has been put into content strategy and message composition. Since it is “content” that ultimately achieves business and communications goals, it is essential to put resources behind this priority.

Processes for network support, messaging management and impact analytics.

As the use of the medium increases, the burden is increased on network operations and support personnel. The constant response to end user (i.e. marketing) needs and enquiries often provides too little staff time to educate and

coordinate with marketing, regional, branch, campaign, product management and agency personnel.

Technology infrastructure that can maximize messaging impact while minimizing costs of operation.

The highly adaptive use of digital signage means that messaging is increasingly targeted to regions, branches or even individual displays. Managing playout groups and an increased number of messages aimed at influencing patrons draws heavily on the Content Management Software (CMS) that governs traffic and system use. As system use or needs grow, the CMS must have the capacity to efficiently schedule content playout so that the use of the system is aligned with campaign and communications goals.

System use can also burden internal communications system on which media and playlist updates are distributed and playout analytics are returned, suggesting the business value of a dedicated network for this promotional system.

Technical support including help desk, maintenance and repair do increase as the number of display locations and hardware/software components increase on the network. While many organizations draw on internal resources to meet this need, there is sometimes merit to contracting these important processes.

Objectivity, experience, subject matter expertise and templates enable the Gap Analysis to be very productive, painless, constructive and a key part of consensus building among stakeholders while identifying improvements in:

- Network alignment with the vision, mission and goals of the organization.
- The objectives of the digital signage investment.
- Digital signage within the omni-channel strategy and interfaces with other engagement technologies.
- Display types and locations that best suit communications objectives.
- Content strategy and composition.
- Ways to assess impact and outcomes, and attribution of benefits derived from the digital signage investment.
- Processes that can streamline operations
- Sources of possible funding including 3rd party advertising and sponsorship
- Engagement of other stakeholders within the enterprise (i.e. executives, marketing, facilities, security, IT, HR, agencies)
- Reconsideration of the sourcing approach where some elements might be more suitably out-sourced or in-sourced.
- Vendor relationships and pricing.

Templates can really simplify the gap analysis and growth planning. In conducting the Gap Analysis, BUNN brings templates such as the following in order to reduce the effort required for gap analysis:

- a) Digital signage plan
- b) Revenue forecast
- c) Playloop – day part structure
- d) Impact assessment analytics
- e) Content scoring and evaluation
- f) Content style guide

The objectivity, experience, subject matter expertise and templates provided by BUNN enable the Gap Analysis to be very productive, painless, constructive and a key part of consensus building among stakeholders.

Timing: Gap analysis can be conducted in a few a several days while planning for expansion may be more time consuming. This can be conducted by BUNN, or internal resources can be coached to complete the analysis.

Next Steps can include budgeting time and money for a future gap analysis based on a proposal that BUNN can provide. Contact the following to move the discussion forward;

Additional Materials:

Webinar by Lyle Bunn on Gap Analysis and Growth Planning
<http://www.lylebunn.com/end-users.php>

Lyle Bunn (Ph.D. Hon.) is an analyst, advisor and educator related to dynamic signage and place-based media. He is a member of the RetailWire Braintrust and other advisory boards. Among other recognitions he has been named of the 11 most influential people in digital signage. He was recently named Chair of the Center for Digital Engagement. Lyle@LyleBunn.com

