

SHARP

Be Original.

Which way next? Digital signage in 2020



Introduction

The digital signage market is at an exciting point in its evolution



Birgit Jackson
Commercial Director,
Visual Solutions at
Sharp Electronics Europe

The digital signage market has grown rapidly in the last few years as solutions have become more affordable and businesses embark on digital transformation strategies to combine offline and online experiences.

As companies continue to compete for relevance and attention with the personalised communication now available in the palm of everyone's hands, there has been a marked shift by the industry to focus on content and the user experience with trends such as personalisation and interactivity dominating.

Digital signage is important for the end customer wherever they are – the mall, the airport– to help them make decisions. The onus is on us as a manufacturer, as well as the content management system (CMS) software suppliers, advertisers and others in the industry, to make sure that we create solutions that are useful and relevant to the consumer. Only by working closely together as an industry and contributing our best knowledge and value are we going to achieve that.

This involves complexity, so it's important that businesses can work with suppliers that understand their unique challenges. We want to give our customers the best chance of success and help them to realise the full potential of digital signage for their business. That's why we work closely with a selection of software providers and CMS experts offering genuinely tailored solutions that fit any business need.



¹Futuresource Consulting, Professional Display Market Insights, June 2019

We wanted to understand where the digital signage market is going as we enter the next decade. To help us get a clearer picture we spoke to our community of leading signage software companies across Europe, who make up the Sharp Open Architecture partner program, to understand how they see the market evolving.

While the future of digital signage is bright, with new innovations offering businesses the opportunity to explore the potential of data analytics and higher resolution technologies, our partners also highlighted a few challenges facing the industry in the year ahead including the implications of stricter data protection laws and the state of the global economy.

In this report, we explore the opportunities and challenges for the next 12 months and offer expert perspectives on **'Which Way Next'** for the digital signage industry as we enter a new decade. Follow @Sharp_Europe on Twitter and LinkedIn, and let us know your thoughts on what 2020 and beyond holds for digital signage.

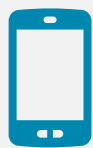


Key insights

During August 2019, partners from Sharp's Open Architecture Platform were surveyed* online and via a series of phone interviews to combine their observations and predictions for the digital signage market.

Understanding audiences

According to our partners, the technologies most likely to impact digital signage most in the next two years include:



65%

Mobile integration (65%) such as beacons, sensors and mobile payments.



59%

Audience measurement (59%)



41%

Audience recognition (41%)



35%

Voice-based interaction (35%)

*14 respondents (within the partner companies) took part in the online survey and 3 in the phone interviews.





Still a role for passive content in 2020

According to our partners, the content type they believe will be most widely used in 2020 is Dynamic Content, the use of localised, real-time content that changes based on the audience or location, like weather or news.



Our partners believe Passive Content will continue to be popular, following closely behind Dynamic Content.



59%

Digital experience platforms (DXPs) will be limited to bigger corporations

More than half (59%) of our partners do not believe that digital experience platforms (DXPs) will start to replace content management system (CMS) for digital signage. Many partners feel that DXP is too costly and complex for all customers to implement and will therefore really only be used by bigger retailers and corporations.



47%

Demand for deep analytics in 2020

Nearly half (47%) of our partners believe interactive apps will be in the highest demand in the next two years.



29%

More than a quarter (29%) of our partners expect deep analytics to be the lead technology in 2020.



Research review

Dynamic content takes the lead for 2020

Our partners expect dynamic content – localised, real-time content that changes based on the audience or location, like the weather or the news – to appear most widely on digital signage screens in 2020.

It will be followed closely by passive content, more traditional forms of images and video that fit the digital signage space and include promotions, inspirational messages and information.

Interactive content is likely to be less prevalent, however **Birgit Jackson**, Commercial Director of Visual Solutions at Sharp, expects interactive technology to play a role in specialist signage applications. “Interactive displays can work really well with applications where it can be used effectively such as wayfinding or catalogues”, she explains.

Michael Bailly, Head of Global Business Development at Cenereo, a SaaS (software-as-a-service) signage platform using intelligent algorithms to automate the display of customised contextual content, believes that high street retailers need to apply a more “phygital” (physical/digital) strategy to meet their online competition.

“High-street retail is in trouble...e-commerce offers unlimited choice, availability, convenience and price, plus online retailers can identify consumers’ tastes and preferences with cookies, matching their offers to their precise liking, which is actually a customer benefit,” Bailly explains.

Today’s high street retail set-up is still too passive, it must respond to both the expectations of the “digital experienced” consumer, whilst adding a physical experience that cannot be replicated online, to re-invigorate their sales.

This game is about providing customer journeys, triggering emotions and purchase impulses. High Street retail must go beyond the ‘one-to-many’ - ‘poster like’ signage concept to a more ‘one-to-one’, targeted signage approach, offering more value to the target customer, using whatever technology is required to achieve that.”

The partners agree that timing and location is key in understanding what messaging works best when it is context based. For example, soft drink sales typically explode above 22°C - and commuters stuck in traffic jams waiting are more prone to absorb entertaining messages during rush hour than at any other time of the day. Similarly, people arriving ten minutes early for a meeting in reception are more eager to absorb longer-form contents on screens.



Digital signage platforms (DXP) vs Content management systems (CMS)

CMS is currently the standard platform for managing digital signage information, but we can expect this to be eclipsed in coming years by DXPs. DXPs give the power to users to manage data and content in context with their audiences and users are not limited purely to managing content, as with a CMS. So, for example, up-to-date flight or train information can be presented to audiences.

Peter Heins, Senior Product Manager of Visual Solutions at Sharp, explains: “CMSs are being used widely today and effectively, but I do believe that DXPs have the potential to replace CMS. DXP is a much more flexible system that not only brings together the content management but combines that with other internal systems to have all information and communications into one platform.”

Although there is a lot more scope for DXPs, over half of our partners do not feel DXP will replace CMS entirely. DXP is a costly and complex system that may not be simple for all customers to implement and will therefore be utilised more by bigger retailers and corporations.

Impact of technologies in 2020: Mobile integration is key

Almost two thirds (65%) of our partners believe mobile integration such as beacons, sensors and mobile payments will have the biggest impact on signage over the next two years. Sharp’s Birgit Jackson agrees; “Mobile integration enables people to interact with digital signage and allows brands to collect data on people engaging with the signage and also the environment around the display, for example if it’s daytime or night-time. By collecting this data, the content being shown can correspond and adapt to what’s happening around the display.”

“This integration will enable advertising in digital signage to be more personalised and therefore more relevant to the people engaging with the content, which will in turn drive higher conversions”, Jackson adds.

In comparison, the technologies that will have a smaller impact in the next two years, according to the partner survey, are social media interaction (12%) and Augmented Reality (0%). Meanwhile, less than a third (29%) of our partners believe that touchscreen technology will impact digital signage significantly in the coming two years outside of specialist applications.

Richard Horsey, Director at Instoremedia UK, a market leading advert deployment and device monitoring platform for digital signage, believes that as well as cost implications and return on investment, this is due to users’ reluctance to interact with large format touchscreens in public: “We have seen for many years that users do not like using large format touchscreens due to the unfamiliarity of using the display and the lack of privacy, for example in the retail space, no one wants to feel like they are being watched by other customers. As a supplier it’s really exciting to see that the market is beginning to understand this and realise that there are other options, such as mobile integration. In addition, staff using handheld devices or smaller touchscreens in retail can offer a more personalised shopping experience for the customer, over using a large format touchscreen, and one that feels natural, just like using a smartphone. Smartphone and digital signage integrations offer the high street an opportunity to get the sale there and then by linking online and instore, as well as personalising offers”.





The rise of data and analytics

Data and analytics have been identified by our partners as a key trend for 2020 and will be a clear driver behind change in the digital signage market as we enter the next decade and beyond. How digital signage users accrue data and act on insights will determine the success or failure of their campaigns.

“Signage is really about intelligently compiling data, using the data to send relevant ads to the right audience,” Cenareo’s Michael Bailly adds. “That’s signage 4.0, that’s the future. Content can only be as good as the relevance to its audience.”

Mark McDermott, Co-founder and CEO of digital signage platform, ScreenCloud believes that analytics are crucial to

the evolution of signage: “We aren’t really measuring how impactful digital signage is as an industry,” he warns. “We need to know which content is really working, what screens are connecting well with an audience and what aren’t. People will get more demanding and ask why they’re seeing content for the 100th time.”

McDermott also believes that analytics will develop to the point where everything will be tracked with more rules-based and dynamic content planning. “Brands will have an idea of the type of content they think people will want and the analytics will re-inform that, even down to when and for how long you show that content on a screen,” he says. “As an industry, we haven’t settled on how analytics is going to



work; we don't have a Google Analytics equivalent for digital signage. Ultimately, the industry will settle on something, and the analytics will help inform how long we run content before we expire it."

André Brinkmöller, COO at digital signage software company VIDERO, believes that organisations will need to make AI and machine learning work for them by collecting the right data. However, consumer data is subject to regulation that is catching up with technology and reflects societal concerns around privacy and data ownership. Use of consented data will be critical to the effectiveness of future interactive digital signage, as it will enable the personalised, customised experience that users demand and is most valuable to marketers.

Content creators will need to consider having proof of people opting-in if they are serving ads based on personal data, to ensure they are abiding by the General Data Protection Regulation (GDPR) in the European Union, for example. Different markets are already developing regulations for other emerging technologies, for example San Francisco voted to ban the use of facial recognition software by police and other bodies in May 2019, and the EU is exploring ways to limit the use of facial recognition technology as part of a broader overhaul in the way it regulates Artificial Intelligence. Navigating this increasingly sophisticated regulatory landscape is set to become another challenge for the industry.

Acknowledgements

All the following companies are part of the Sharp Open Architecture Platform, which provides users with an easy way to download, store and play content directly from a Sharp display. As well as new hardware and software from Sharp, the platform includes partnerships with signage software providers from across Europe. The platform gives customers ultimate flexibility to create a tailored digital signage solution using a combination of their preferred software partners and Sharp's signage displays.

For more information, visit www.sharp.co.uk/digital-signage-software



VIDERO[®]
your ideas on screen

André Brinkmüller joined VIDERO AG as Sales Director in June 2013, and was appointed to the board of the global digital communication service provider in July 2017. He is responsible for the development of new business areas and customer groups.

VIDERO[®] is the leading software platform for digital storytelling at the point of sale. Unique shopping experience and comprehensive interactive client information can be created without programming skills. Connecting external sources provides a highly innovative combination of physical and digital shopping-worlds which excitingly convinces clients and sales-staff.

www.videro.com



 **ScreenCloud**

Mark McDermott is Co-Founder and CEO of ScreenCloud, founded in April 2015. Mark has a passion for building world-class digital products and has co-created a series of online businesses, including one of the market-leading online estate agents, Tepilo.

ScreenCloud helps businesses communicate better with their teams and customers by transforming their spaces with smart, connected digital signage. ScreenCloud's digital signage software and over 80 apps make it easier than ever for customers to put meaningful content on any screen, in any location. Use it to control one screen, or a thousand, from anywhere in the world.

www.screencloud.com



 **cenareo**
make a scene

Michael Bailly, joined Cenareo in October 2018 as Head of Global Business Development. Michael has over 19 years' experience working in the display and digital signage industry across EMEA. At Sharp Europe, NEC Display Solutions Europe and Samsung Electronics Europe he developed international signage business projects across Europe, Middle East, CIS and Africa, and led the development of strategic partnerships with key organisations.

Created in 2012 by four engineers, Cenareo (formerly CityMeo) is an innovative company, which develops an intuitive and collaborative solution for managing digital signage in SaaS mode. Co-constructed with its customers, its offer guarantees a perfect match between their needs and the services provided. In hyper growth since its creation, Cenareo has posted triple-digit growth for 30 employees and has just opened its first office outside France in Munich. To date, more than 8,000 screens are managed via its platform in 32 countries for companies such as Shell, Phenix Group, Mama Shelter, Airbus Biz Lab, Lagardère Travel Retail and EDF.

www.cenareo.com



 **Instoremedia**
Digital Signage

Richard Horsey has headed up Instoremedia UK since 2006 and is on the Management Board of Instoremedia AB. He takes overall responsibility for UK accounts and projects, shares responsibility for the future direction of Instoremedia and has a passion for delivering intelligent signage solutions that return value for customers.

Instoremedia are global providers of digital signage and have a strong background in retail & corporate, software development and digital business development. Its award-winning software is the foundation and core of the company. Instoremedia offers a range of services including content creation to support signage and improve customer & user experience.

www.insm.eu

The other Sharp partners that took part in the survey include:



easescreen makes digital communication simpler and more effective than ever and has been operating internationally since 1999. Being a pioneer in the digital signage industry and with its user-friendly software, it has become one of the leading brands worldwide. With the powerful, modular software digital advertising and information systems can be designed individually and focused on specific target groups.



The **KOKE** company provides full-service in digital signage solutions. After verifying individual customer needs, they develop a detailed concept. As a fulfilment company, they accompany projects from the very beginning, starting with an idea, the entire way to the final roll-out. Software development, hardware equipment selection, content management and monitoring is our unbeatable potential in helping your business run successfully.



With **NoviSign's** comprehensive web-based digital signage software online studio, you can create beautiful digital signage. With over 20 drag-and-drop widgets to choose from, customers can quickly design and manage engaging content that features live social media streams, data-driven polls, fun interactive games and media-rich zones that feature videos, RSS feeds, HD images, scrolling text, weather and more!



STiNO is a German software manufacturer for digital signage and visual communication solutions delivering to more than 25 countries the iChannel cloud solution and the ePromoter entry level solution for getting any message to the target audience. As one of the few providers, STiNO is capable to support diversified hardware platforms from PC to SoC systems running Windows, Android and Linux operating systems.



XopVision is a professional communication platform tool, multi brand and based on Android. They can use televisions, monitors, smartphones, tablets or display panels strategically located in private or public places, with the main purpose of transmitting advertising and informative messages. This new way of communicating allows consumers to recognize the brand, by showing its products, more competitive prices, campaigns, promotions, and events.



iDiD combines everything you need in digital signage. Content management with a modern web application is simple and smooth and visual editing not only looks good, but also makes workflow intuitive. Customers can design templates effortlessly as well as create, update and schedule the content fluently. iDiD offers multiple possibilities for easy 3rd party integration and is a scalable cloud service and built to grow with customer needs. iDiD – Nordic design from Finland since 2006.



NDS (formerly Net Display Systems) developed its first digital signage solution in 1994, at the cusp of the digital revolution. Their powerful all-in-one digital signage platform PADS4, is flexible and scalable with solutions for every industry. PADS4 transforms data sources into smart and versatile signage, including advertising, wayfinding, internal communication, queue management and corporate branding. PADS4 supports real-time data integration and logic programming, resulting in dynamic digital signage for advanced and targeted visual communication.



Through **PublicView's** content management system for digital signage, clients and visitors are informed, encouraged and incited to action in front of the screen. This affordable and comprehensive digital signage system is very user friendly and operates from the cloud. The flexible design and choice of several standard or your own custom made layouts will make information displays easy and fun to work with.



The **wesolutions** GmbH is an IT service company specialised in digital signage. They created a smart and innovative marketing tool for digital in-store communication and presentation under the brand WESUAL. Since 2011, they have been providing intuitive signage tools such as Digital Chalkboard or Digital Concierge, which not only make everyday life easier, but also increase sales efficiently.

Welcome to Sharp

Sharp Information Systems Europe (SISE) division of Sharp Electronics Europe, offers a unique portfolio of award winning document management and display solutions to help organisations transform the way they engage with information.

Sharp's industry-leading MFPs and large production systems sit at the heart of integrated applications for digital transformation, while our display solutions include innovative video walls, digital signage displays and interactive flat panel displays for collaborative presentations. Our mission is to develop new products that support individual expression; creating life enhancing experiences that let you be original.

Find out more

Contact us **@Sharp_Europe** on 

Join us on **LinkedIn** 

and watch our videos on **YouTube** 

www.sharp.co.uk/digital-signage-software

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