SAMSUNG

Position Paper

# Enhancing The Buyer's Journey With Digital Signage in Retail

## Influencing Consumers, Building Loyalty

For years, retail marketers have described moments of truth as the instance consumers reach a store and do more than interact — they form opinions and impressions, and finalize decisions about buying. Those brief moments can have a huge bearing on the success or failure of both the retailer and the brands marketing products on retail shelves and fixtures.

That's why digital signage — since its earliest days — has proven itself a powerful tool for influencing consumers, driving purchases and building loyalty. When retailers and brands can get promotional, actionable and branded messages in front of consumers when they are in the store, that can make significant bottom-line differences.

The earliest days of in-store screen marketing saw brands and individual store managers nesting TV sets and VCRs on display tables and shelves, surrounded by products. Those rudimentary tactics persist to this day, but contemporary digital signage is now far more sophisticated, diverse and visually exciting.

This white paper takes a deep look at how digital signage technology is being applied in retail settings. It outlines thinking that will help retailers and brands put together an ideal technology deployment. It reviews the different screen options, and it also explores what works and doesn't work in retail, and lays out the practices that will lead to successful retail digital signage projects.

## Different Screens, Different Jobs

The rules are far from rigid, but certain display technologies are more suitable for certain tasks. To untrained eyes, different display technologies may all look interchangeable — but each has a distinct role and best application.

**Type: Standard Commercial LCD Displays**
**Usage Profile:**

The word "commercial" is very important when it comes to digital signage displays . A flat-panel LCD screen designed for digital signage can look very much like televisions sold at big box stores, but there are important distinctions. First, TVs are engineered for a few hours of use per day, not for the 16 hours per day — or even 24/7 — demanded in retail environments. A TV costs less, but won't last. TVs are also not engineered to


rotate to an upright (portrait mode) position. When the TV fails, users will discover the warranty has been invalidated by inappropriate use. Also, commercial displays tend to be brighter (by necessity) than TVs, and have connector ports and functionality tuned to demanding commercial work.

While 55-in. and 65-in. screens are, as in the consumer market, the most common sizes for retail, businesses are using screens as large as 98-in. as changeable digital posters, replacing outdated, static imagery such as high-resolution printed lightbox posters.

**Type: High-Brightness Window Displays**
**Usage Profile:**

Using window displays to capture the attention of shoppers and draw them inside is an age-old tactic that traces back to bakers putting items straight out of their ovens on street-front window ledges. Static window displays and posters are still common, but high-brightness displays in storefront windows up the game considerably. First, they offer full motion video and graphics that draw the eye more effectively than static imagery. Second, they're easily changeable and can even be dynamic, with elements such as pricing or featured products updating automatically, based on data from store systems.

The high brightness aspect of these displays is important. A regular commercial display will look good in a shop window at night, but these displays don't have the lighting power to overcome the glare of daylight sunshine, or even the natural light flooding in through a mall's atrium ceiling windows. Displays that push 2,500 nits, meanwhile, visually pop, even in direct sunlight.

Screens designed for use in windows and direct sunlight also have special cooling technology that handles the high heat load, while commercial displays built for more conventional scenarios would be at risk of overheating if put in windows. Samsung markets a unique two-sided window display that has a high-brightness screen facing the street, and on its rear, a different screen facing into the store — ensuring the visual space taken up in the window gets optimal marketing use.

**Type: Extreme Narrow-Bezel Videowalls**
**Usage Profile:**

Arrays of commercial LCD panels with hair-thin frames (bezels) are often used in retail settings as multimedia feature walls behind sales and service counters, or in highly trafficked areas like escalator zones or main entryways.

LCD-based videowalls give retail and brand marketers the opportunity to add large, high-impact visuals that require super high resolution, such as 4K, that rivals the high dot pitch of the print materials it supplants.

LCD videowalls are also being used by some retailers as digital menu displays, for everything from food services to the available options and pricing at an auto dealer's parts and service counter.

**Type: Direct-View LED**
**Usage Profile:**

Technology used for years for scoreboards and replays at major sports venues and for outdoor advertising on billboards has evolved and miniaturized to a level where LED is now sometimes considered alongside LCD videowalls for "Wow Factor" indoor feature walls.

The attraction of LED over LCD comes down to two words: seamless and flexible. Direct-view LED display technology is composed of small tiles that fit together with no evident gaps, providing large, seam-free visual canvases that are unbroken by gridlines, unlike even the narrowest bezel LCD videowalls. LED displays such as Samsung's IF Series provide more options for varying shapes, including the ability to create gently curved corners, something not available with large and rigid LCD monitors.

Increasingly, flagship locations of retail brands are being outfitted with one or several direct-view LED walls in their newly built or refurbished stores to create visual excitement and reinforce brand sentiments.

New products like Samsung's celebrated The Wall deliver jaw-dropping visuals at needed scale that rival the best LCD screens.

**Type: Specialty Displays**
**Usage Profile:**

Interactive screens vary from tablets on countertops to full-sized signage mounted on walls or pedestals, outfitted with touchscreen user experiences that are familiar to anyone with a smartphone. They are used for everything from product look-ups and registration stations, to store wayfinding and virtual catalogues.

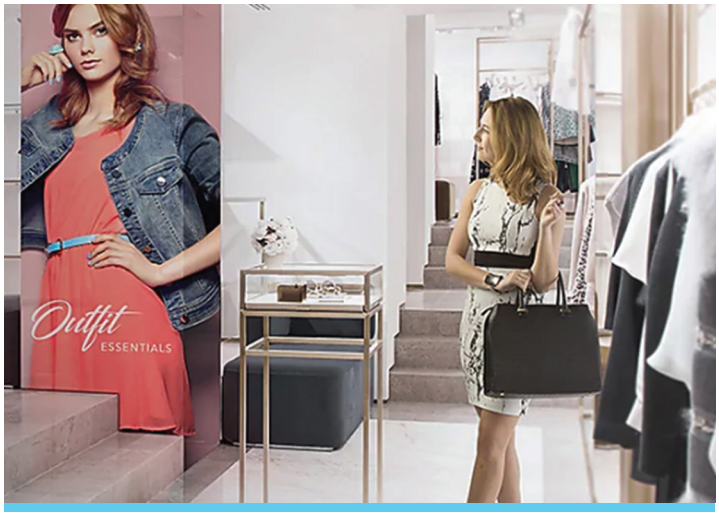
Stretched displays introduce unique, visually interesting screen formats to a retail location. Think of a "normal" LCD display, standard width, but only half as tall. The slim and stretched profile finds a variety of uses in retail, from directional signs in department stores, where they are shallow enough to fit snugly to ceilings, to slim digital headers for the endcaps at the heads of main aisles in mass merchandise stores.

LCD display technology has also been married with mirrors, providing fashion retailers with tools that allow shoppers to check themselves out in new outfits, while also seeing in the mirror some curated suggestions for high-margin complementary accessories like handbags and belts.

## Right Display, Right Moment

Experience has taught retailers, and the technology companies working with them, to think both strategically and tactically about how to optimize their investments in digital signage technology. Successful projects owe a lot to the right technology selection for both the setting and scenario.

**Addressing the Problem:** Successful digital signage projects start with identifying pain points and ideating effective, screen-driven solutions. For example, in a very large store with sightlines interrupted by aisles and fixtures, shoppers may find more use in interactive screens that help locate products or departments than they will in messaging about sale items. Conversely, an interactive screen may be pointless for stores that carry everything they sell right on the shelves.



**Assessing Dynamics:** Screens should always be positioned where they'll "work" for the retailer's needs, and not just where they'll fit. Putting screens on otherwise empty walls can be a wasted investment if typical store traffic breezes right by those positions and might not even notice displays. Users want screens where shoppers dwell. Also, remember sightlines: A bulkhead area in a store may seem an ideal spot for a screen or screens, but shoppers look ahead and slightly up. They don't walk around looking at things mounted 10 or 12 feet above the floor.

**Environmental Conditions:** Brightly lit stores, particularly those supplemented by natural daylight, may require higher-than-standard brightness displays to reduce or eliminate glare that will otherwise make screens and the messaging on them ineffective. A costly LCD videowall in a sidewalk window may look amazing at night, but barely noticeable when the sun is out, and precisely when it is most needed to draw attention.

**Content Quality and Sightlines:** The type of content shown on screens and the average distance at which they're seen both influence display technology choices in retail. If the marketing material for luxury timepieces or fragrances is in super high-resolution 4K video, that can be accurately replicated on a single 55-in. or larger LCD display. Because direct-view LED does not have the same density of pixels as LCD, it would normally take a physical display footprint four to six times or more than an LCD monitor to deliver that same resolution, and at much higher overall cost. LED cabinets are roughly the size of large pizza boxes, and if each cabinet has 300 LED pixels per horizontal row, it would take a dozen or more tiled together to get to the equivalent of 4K resolution. On the flip side, if content is typically being viewed from a distance — such as from across a store — viewers with normal eyesight will struggle to see the difference between a 4K display and a fine-pitch LED display with a much lower resolution.

**Relevance and Timeliness:** Screen technology is amazing and beautiful, but its value in business applications is also directly tied to what's on the screen. Shoppers won't look at screens, or use them, just because they're there. Viewership needs to be earned. The content needs to be relevant to viewer interests, timely (think back-to-school or holiday shopping), visually arresting and action-inducing. The best retail digital signage projects use content that is expressly designed for the screens and store dynamics. It's rare that material designed for broadcast and online genuinely works for a retail environment. For example, most retail digital signage projects don't use audio because of ambient noise and heavy repetition of messaging that would drive retail staffers crazy. But most broadcast advertising is very much audio-driven. The best practice is to budget and get creative material designed specifically for the retail digital signage network.

## Digital Signage's Retail "Moments"

### ATTRACT

Whether it's a storefront on a busy downtown shopping strip, or part of a row of shops at a shopping mall, the windows are the first visuals that consumers see, and represent the first and most important opportunity to attract attention and draw intrigued shoppers inside to learn more. High-brightness displays in windows are beacons to shoppers — letting them know about sales, promotions and new products available inside.

### INFORM

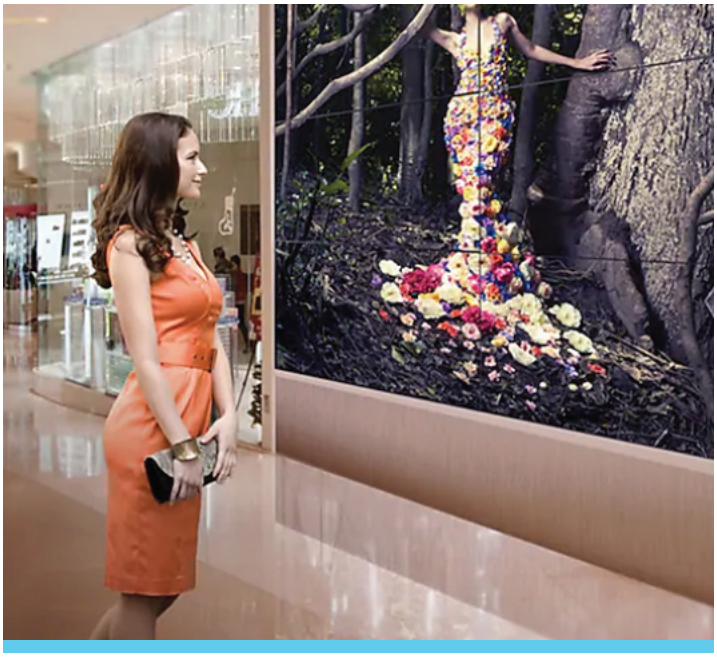
In many retail environments, print is being gradually supplanted by digital displays fixed on walls and support columns, and placed at the shelf and display level, that highlight specific promotions and offers. Sophisticated retail operators use screens to target specific promotions to variables like the time of day and the dominant shopper profile, which can change throughout a day and week — soccer moms in the morning, for example, and millennials in the evening.

### ENGAGE

Smart retailers use touchscreens and related interactive tools to directly engage with individual shoppers — helping them find products, research products that interest them and deliver what's often dubbed an “endless aisle” experience. A touchscreen tied to inventory and ecommerce information systems provides an extended catalogue of products not immediately available in the store, but ready to be ordered and delivered, or available for pickup in a day or two.

### BRAND

Steadily maturing display technology has allowed image-conscious retailers to "techorate" their key stores, such as flagship locations, with extra-large full HD and 4K LCD displays that replace large printed graphics traditionally used for store branding and to set a tone and mood for the shop. Now, store designers regularly use LCD or direct-view LED video arrays as wall-filling visual statements. At the most ambitious stores, branding can start outside, with LED displays supplanting conventional store signage in the design.



## In-Store Innovation

Retailers and brands have been using digital signage technology in and around stores for more than two decades. In that time, many examples of innovative applications to address specific business challenges have emerged. Increasingly, screens are being used to tackle operating cost issues, and to boost in-store experiences.

**Beauty brands** with hundreds or even thousands of products are using interactive screens in smaller stores to provide shoppers with full access to their lineup, without needing much more space to stock it all. This is particularly important in the fashion districts of major cities that have higher than normal commercial leasing costs. Smaller shops greatly reduce baseline operating costs, but give the brand a presence. In these smaller stores, consumers can sample core products, and then use interactive screens to find the ideal shade and have it ordered for pickup in-store, or delivered to their residence or workplace. For example, cosmetic brands are using interactive screens that act as makeup mirrors, allowing customers to apply different products and shades virtually. That reduces the need for physical samples.

**Automakers** are opening satellite dealerships in the central business districts of major cities, as well as in major shopping malls, that are a fraction of the size of normal dealerships. Instead of large car-filled buildings, surrounded by vast lots of inventory, automakers are using small shops with videowalls and interactive car configuration screens to help buyers find the ideal vehicle. Large screens show a car at its real dimensions, and sales associates can change the colors and trim with a mouse click. The strategy brings car buying in from the suburbs, and allows automakers to limit their building costs, rent and land taxes while reaching inner-city dwellers.

**Fashion retailers** are using LCD and LED videowalls to replicate the runway shows from Paris, Milan and New York in their major stores — showing models and the latest designs at life size. They're also experimenting with tools like interactive screens in dressing rooms that do suggestive selling and send notifications to store staff, such as requests for different sizes or colors of garments.

**Big data** and more available integrations with point of sale and inventory management systems are enabling retailers to use screens around stores and in the windows facing passersby to show pricing and promotions based on real-time data sets. For example, if an inventory control system indicates a promoted item is almost out of stock, it automatically disappears from the digital sign's schedule. Conversely, an overstocked item may be added to the promotions playlist. For the retail side of financial services and travel, where things like interest rates and vacation package costs are ever-changing, dynamic data ensures what consumers see is always accurate and timely, without requiring staff to make those changes on signs or screens.

Increasingly, consumer brands are locating smaller and stretched screens at merchandising displays and other featured positions. That's particularly valuable for highly competitive, hard-to-explain categories like health and wellness.

## Back of Store

While much of the focus for retail digital signage has been on customer-facing screens, the technology is now being effectively used behind the scenes in larger retail environments — notably in break rooms and warehouse areas.

Store associates don't normally have email addresses, mail slots or pay envelopes, so the options for getting HR updates and other information to them are limited to things like printouts on notice boards. Screens in break rooms and other areas provide a means of effectively distributing key performance indicator tracking, job opportunities, information on new products, employee recognition and any other material managers want to disseminate.

Back in the warehouse, screens married to systems can do everything from flagging out of stock items and expected shipment times, to reinforcing workplace health and safety information.

# Conclusion

Digital signage is now firmly established in many retail environments, and through the years, retail operators have learned a lot about optimizing their investments. They've also seen display costs dramatically lowered, while at the same time, those displays have steadily grown in size, variation and capability.

Arguably the biggest key to getting digital signage right in retail environments is defining the objectives — more sales, amazing visual experiences, and so on — then determining what technology will best deliver on that, where in the stores and how.

**Done right, screens will drive results.**

Learn more about digital signage solutions in retail here.



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