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# White Paper

## The Case for Digital Signage

### An Interview With Black Box

Black Box has been a world leader in comprehensive communications and data infrastructure solutions for more than 30 years. Headquartered in Lawrence, PA, Black Box offers more than 118,000 network infrastructure and AV products, and has evolved and grown by increasing sales and market share and through acquisitions.

POPAI recently spoke with Steve Acquista, Director of Digital Signage for Black Box, about the current and future state of Digital Signage efforts at Black Box.

#### What does Black Box offer in terms of Digital Signage?

Black Box is a one-stop shop for Digital Signage. We offer a series of all-in-one Digital Signage appliances called iCOMPEL™, which can function as standalone players or be networked and managed remotely. Black Box's iCOMPEL family of Web-browser-based networked media players/appliances provides an out-of-the box solution for improving internal and external communications through relevant and dynamic digital signage. The iCOMPEL can capture live TV, video, Flash animation, RSS news, stock ticker feeds, and many other media formats. It enables users and administrators to change information ad-hoc to generate



real-time messaging via local access or through a Web browser. Black Box also offers many complementary Digital Signage products, such as video distribution, switching, custom wiring, and cabling.

#### What market forces drove Black Box to offer such components to Digital Signage?

As a longstanding supplier of data infrastructure and communications products and services, Digital Signage was the next logical step for us to support and expand upon. Plus it fits well with our core competencies.

#### How is Black Box's Digital Signage different from those offered by other providers?

We're unique because we are a major manufacturer, supplier, and distributor of complete Digital Signage solutions to our many integrators, resellers, and end users. We've developed a base of loyal customers during our 30-plus years in business by offering great service like our 24/7 support plus cutting-edge products. Our clients know we'll be around to support their needs now and in the future.

There are a lot of newcomers to this field who might not be able to support scalable, large Digital Signage deployments long term like we can.

#### What are some new areas coming to Black Box's Digital Signage offering?

With iCOMPEL, end users host and manage their own networks, but some end users would like more extensive management and hosting services. Currently, we manage large-scale networks worldwide for many data and telephony clients, but we don't offer hosting and network management services to our Digital Signage customers. This is an area we plan to expand on not only for our own platform, but also possibly for other Digital Signage platforms and Digital

Signage providers looking for these services.

### **How is the effectiveness of Digital Signage measured?**

Digital Signage's effectiveness can be measured in a number of ways based on sales results, improved customer satisfaction, increased mind share, and stronger employee morale. Applying metrics to each of these can be a challenge. Some are much easier to measure than others. As Digital Signage technology has advanced, so have the methods for measuring effectiveness, including eye-gazing and gender-tracking technology to measure attention spans, dwell times, and content effectiveness

**"Today's discussions about the benefits of Digital Signage have gotten easier. The cost of hardware and services has come down considerably. Digital Signage solutions are easier to design, present and deploy than ever before."**

### **Who are the typical clients for Digital Signage?**

Banks have been deploying Digital Signage for some time now. If you think of a typical bank, it uses poster boards and counter cards, so it's a natural progression for banks to go into dynamic signage. This is especially the case with large banks that have many branches as they try to minimize the costs of getting out all the printed material and become "greener" by reducing the fuel and energy spent distributing all the traditional marketing materials.

The education market is a targeted vertical for us. Many colleges and universities are looking at Digital Signage for campus information, alerts, and messaging. Those same systems can now even be expanded to deliver messages to student's cell phones and desktops.

Corporations large and small, hospitals, banks and production facilities are all looking to Digital Signage to quickly and effectively disseminate external and internal communications such as daily events, sales updates, welcome boards, production information, alerts, wellness campaigns, etc.

### **What about the cost of Digital Signage?**

In the last five years, overall costs for Digital Signage have come down. Prices on large format commercial displays (i.e. displays that are equipped to run more hours than a consumer

display) have come down quite a bit as have the costs of other Digital Signage hardware, such as media players, servers, and signal distribution products.

I remember talking with department store executives years ago about the idea of replacing their traditional backlit signs with dynamic digital signage. I told them that their initial capital expense would be offset over time and that they would be helping the environment by not wasting as much energy and costs as they did when they produced and delivered components that made up the backlit signage only to replace it a month or two later.

Today's discussions about the benefits of Digital Signage have gotten easier. The cost of hardware and services has come down considerably. Digital Signage solutions are easier to design, present, and deploy than ever before in part because of the increase in education and technology advancements, and also because manufacturers and suppliers are taking a more holistic approach in supporting those who want to get into the business.

### **What are some key aspects that are missing currently for Digital Signage?**

Although things are improving, there is a lack of standards in hardware, software, and content creation. For instance, resolutions keep increasing. It wasn't too long ago that 1366 x 768 was considered native standard resolution. Now we're pushing 1920 x 1080. This requires more bandwidth, increased processing power, and higher content creation costs. The good news is I think we're not going to go further than 1080p.

We're also starting to see more Web-based aggregate models where you can sign on to allow ad agencies the ability to execute buys across multiple networks or even open your available ad space to the highest bidder, similar to eBay but for digital signage.

### **What trends do you expect to see for Digital Signage?**

We expect quite a bit of growth, especially in retail as advertisers shift from traditional TV and print media to Digital Signage. We're also starting to see a convergence of Digital Signage networks and smartphone devices for more on-demand and personalized messaging. I can envision in the near future customers walking into a store and being instructed by a Digital Signage display to link their cell phones to a specific product or bar code that will in turn link them to more detailed info on a product that can help them make a more informed purchasing decision.

