



The Economic Value of Digital Signage

The Signage Foundation, Inc.

Through research and education, the Signage Foundation, Inc. analyzes and communicates the societal benefits of on-premise signage.

October 11, 2013_ Signage can be a vital component of a business' success, according to numerous studies released during the recent National Signage Research & Education Conference (NSREC) sponsored by the Signage Foundation, Inc., in conjunction with the University of Cincinnati's Colleges of Business and Design, Architecture, Art and Planning (DAAP).

Research showed:

Stores that added an electronic message center (EMC) saw an increase in both store sales and the number of transactions, according to early results from a research report, "Business Makeover Case Study: The Economic Impact of Electronic Message Centers" by University of Cincinnati researchers Michael Jones and Jeff Rexhausen. Stores saw an initial boost of 2.55% in store sales and 2.6% in transactions within a week of adding an EMC; those sales increases held up when compared over a year as well.

Shoppers were more likely to notice the EMC. In all, 41% said they read the EMC, compared to 28% who had read a manual sign, according to the retailer's previous research contained in "Business Makeover Case Study." And 21% remembered the message on the EMC, compared to 10% who recalled the message on the manual sign. EMCs were more likely to be noticed by the public.

Signs continue to have a place in the evolving media landscape, according to consumers in "Additional Insights from the BrandSpark/Better Homes and Gardens American Shopper Study: A Three-Year, Longitudinal Update," released by James J. Kellaris, University of Cincinnati professor. Nearly 8 in 10 shoppers disagree with the idea that smartphones will eliminate the need for signs in the future, while only 6% agreed.

Kellaris also polled consumers on what makes a sign hard to read. Key factors that negatively affect legibility are:

- Letters too small (83.3%)
- Placement of the sign makes it hard to see (71.4%)
- The sign is not sufficiently lit at night (63.6%)
- The color of the letters does not stand out from the background (60.3%)
- The letters use a fancy font (47.8%)
- The letters are spaced too closely together (35.6%)
- The sign looks very similar to other signs nearby (34.4%)

In all, several hundred academicians, planners, marketing experts and sign company representatives attended the two-day conference. In addition to the research presentations mentioned above, attendees received insight into: navigating community aesthetics and sign regulations; a new method for determining the value of a sign based on the number of viewers it reaches; public art and urban design; signage along historic U.S. Route 50; and urban wayfinding.

The session also included a discussion of proposed research topics for 2014: Economic Value of Illuminated Versus Non-Illuminated Signs; Signs and Downtown Development; Temporary Signs; Cost of Replacing the Exposures, an Approach to Sign Valuation; Economic Value of Signage: Annual Case Studies; and an opinion survey of the planning community's perception of signs.