



**SCREENSCAPE: RETURN ON INVESTMENT**  
a whitepaper outlining the benefits offered by ScreenScape

# Return on Investment

This whitepaper describes in detail the benefits offered by ScreenScape to its customers. For detailed information about the costs associated with typical digital display networks consult our Total Cost of Ownership whitepaper.

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## Venue Networking

Operating a screen display, or a network of screen displays, offers your organization a range of measurable benefits. The techniques for maximizing these benefits are encapsulated in the general category of Venue Networking.

**Venue Networking is the process of sharing media through collaborative marketing networks to reach a specific audience in a specific place.**

Each member of the ScreenScape community represents a venue, and each venue represents an audience. Any member who joins the ScreenScape service can, at their discretion, share content with any other member. By extension, this gives every member potential access to every venue audience on the network.

In this way ScreenScape can be used as a powerful marketing and distribution service. More specifically it can be used to collaborate with like-minded members of the community in order to place targeted messages on screens anywhere in the world. Furthermore, ScreenScape can be used by just about anyone as a way of syndicating promotional messages throughout a community.

## Measurable Benefits

As a network-centric service and community ScreenScape has many applications. This document will expand on how ScreenScape offers measurable benefits in three specific categories:

1. **In Venue Communications** - Using ScreenScape to communicate and reinforce messages from the venue to

ScreenScape offers an online service that makes it easy for anyone to create and operate a dynamic screen display in their venue. The ScreenScape product demonstrates how Internetworking principles, social media, and mobile computing can be combined with traditional media techniques. This combination results in dynamic marketing networks. Compared to traditional Digital Signage and Digital Out-of-Home (DOOH) advertising networks these networks of interlinking screen displays offer new opportunities for collaboration and commerce at dramatically reduced costs.

its local audience.

2. **Network Syndication** - Using ScreenScape to distribute content to audiences in other venues in the ScreenScape Network.
3. **Monetizing an Audience** - Using ScreenScape to facilitate the placement of advertising on displays within the network.

## Example Business Case

Better Home Hardware is a (fictional) New England chain of 20 small town hardware stores, catering to an upper middle class suburban homeowner clientele. Each store has an average annual gross revenue of \$5M, with an average profit margin of 3%. The franchise owners, with the active agreement of their local store owner/operators, decided to implement a ScreenScape venue network, in order to boost in-store sales, raise the profile of their stores in their local communities, and realize supplier discounts by highlighting particular national brands on their in-store screens.

## Better Home Hardware

A New England chain of 20 small town hardware stores, catering to upper middle class suburban homeowner clientele.

Annual Revenue per store	\$5,000,000
Total Revenue 20 Stores	\$100,000,000
Store Profit Margin %	3.0%
Average store profit is	\$150,000
Average chain profit is	\$3,000,000
# venues in network	20
# screens in venue	2
Average audience size / venue*	10
Hours operation / day	10
Days of operation / week	6
Weeks of operation / year	52

What follows is a breakdown of the measurable benefits achieved by Better Home Hardware in deploying a ScreenScape-powered digital display network.

# ScreenScape for In Venue Communications

## Benefits:

- Increase Brand Equity
- Boost Customer satisfaction
- Lift retail sales

A Venue Networking approach to messaging can be used to address traditional business needs for in-venue communication. In this respect the venue networking approach shares the benefits of standard digital signage, absent many of the high costs.

## Increase Brand Equity

Brands are arguably one of the most valuable assets owned by a company or organization. A venue's brand is a collection of experiences and associations connected to the venue by its audience.

Digital displays are highly flexible tools that can be used to help shape associations and attitudes that an audience has about a particular venue. They should be seen as an additional means toward increasing brand equity inside any venue.

## Boost Customer Satisfaction: Logistics, Education, Entertainment

Customer satisfaction is a measure of how products and services supplied by an organization meet or surpass customer expectation. Every venue, whether they are a for-profit business or a public gathering place, exists to satisfy the needs of its audience. In the category of customer satisfaction, In-venue communication meets needs that range from logistics, education, and entertainment to customer service and internal marketing.

Application of these solutions can also result in efficiency gains - lines move faster when people know where to go, customers return less product when their initial choices are better informed, staff is less preoccupied with complaints when audiences are entertained, etc.

Measurement of soft benefits like customer satisfaction and brand equity are elusive to quantify, but increases in this category will clearly offer value to venue operators.

## Lift retail sales

In store digital signage is perhaps the oldest and best studied area of out-of-home digital advertising. Venue Networking can effectively be used for this classic DOOH application.

“Using digital signs in a retail environment has many features and benefits not offered by static displays and signage. Dynamic digital signage can grab a customer's

attention and influence their purchasing decision right at the point of purchase. It also eliminates the high cost of creating and distributing print ad campaigns. Digital signage is instant and offers the ability to change promotions immediately for various products or particular customers. Another advantage of digital displays over static is that retailers can earn money with their digital signage network by selling advertising space to their suppliers. Whether it is intended to build a brand, influence customer behavior or simply provide information, the dynamic visual experience created by digital signage should ultimately increase sales. “  
-About.com<sup>1</sup>

## In Venue Communications Case Study: Banking

“One major European bank, which had grown by acquiring many smaller community institutions, set out simultaneously to increase the migration of customers to self-service channels and to step up its cross-selling to existing customers. In the branches, the bank deployed a digital-marketing platform with content that included not only standard product information but also migration tips, community news, generic sports and weather information, and online customer satisfaction surveys. Customers were encouraged to interact with the staff for more information. This impact was significant: more than 80 percent of branch visitors noticed the screens, almost 50 percent followed the messages, and around 3 percent asked for more information. The initiative generated roughly 100 leads a month, which the bank deemed an excellent return on its investment.”<sup>3</sup>

Studies<sup>2</sup> of competitive digital signage solutions at retail chains report a minimum sales lift of 10-15% and a display compliance lift of 10% on items promoted on in-store screens. The result is a 2-2.5% rise in overall revenue.

## Example Business Case

### Better Home Hardware

ROI from In-Venue Communications  
(Point of sale, brand equity, customer service)

	Year 1	Year 2	Year 3
Overall Network			
Revenue increase %	2.0%	2.5%	2.5%
Avg Per store Profit increase \$	\$3,000	\$3,750	\$3,750
Overall Profit increase \$	\$60,000	\$75,000	\$75,000

<sup>1</sup> About.com, [http://retail.about.com/od/signage/p/digital\\_signage.htm](http://retail.about.com/od/signage/p/digital_signage.htm)

<sup>2</sup> *The Business Case for Retail Media Networks*, Retail Systems Research, September 2007, <http://www.cisco.com/web/solutions/dms/pdf/inStoreBusCase103007.pdf>

<sup>3</sup> *Bank branches that meet customer needs*, The McKinsey Quarterly, August 2007, <http://www.johnryan.com/resources/McKinsey%20White%20Paper.pdf>

# ScreenScape for Network Syndication

## Benefits:

- Increase foot traffic
- Increase promotional scope and agility
- Improve brand awareness
- Improve brand association

Venue Networking is ideally suited to creating a “network effect” between locations that share an audience. Using the service, venue operators who want to reach their target audience outside their own walls can find other venues on the service that match their audience profile. Once a match has been found, members of the service can easily share the content from their displays with others. Through this approach, venue operators can quickly reach their target audience in multiple venues – not just their own.

Gaining access to screen time at any venue can be as straightforward as a friendly request, a quid-pro-quo arrangement, or a simple advertising deal. All of these transactions are facilitated through the ScreenScape service.

## Increase foot traffic

The simplest approach to increasing foot traffic in a venue is a persistent presence in the awareness of the target audience. Through Venue Networking, venue operators can consistently reach their target audience outside of their venue walls. With this expanded reach, creative venue operators can boost return traffic and increase their first-time visits to their site.

## Increase promotional agility

With the increased scope of venue networking, venue operators have an additional channel to promote in-house events like sales and venue promotions, and increased agility in delivery. As a dynamic medium, Venue Networking can distribute content on virtually any schedule - monthly, weekly, daily, or even hourly. Time sensitive promotional material for a particular venue (e.g. a lunch special, a live music act schedule, a change to an art gallery opening, a weekend sale) can be quickly spread across a venue network with little additional effort. This ability makes the medium highly agile, and increases the options available to a venue operator when looking to market a particular topic.

## Improve brand awareness

Brand awareness is a marketing concept that refers to a consumer knowing of a brand’s existence; it refers to the proportion of consumers who know of the brand. A key factor in increasing brand awareness through brand recognition and brand recall is simple repetition. For the target audience, the promoted brand should be conspicuous in their daily routine.

## Improve brand association

Venue networking can be an excellent tool for venue

operators looking to create particular brand associations in their audiences’ minds. For example, a cafe looking to build an upscale “artistic” vibe might seek to join a venue network with local art galleries and non-profits that have established brands in the minds of a local target audience. The galleries and non-profits will be happy with the increased exposure, and the cafes brand will benefit from the brand association. Network syndication represents a growing synergy between neighbouring venues or like-minded businesses in a community. These benefits are hard to quantify directly, but are also hard to ignore.

## Network Syndication Case Study: Nightcap

NightCap is a drinking establishment owned by Ricky Savard. Ricky’s clientele are almost like family. And special occasions at NightCap are just like family reunions. If you walk into Nightcap two days after St. Paddy’s day you’re bound to see pictures of the St. Paddy’s day party up on their screens.

Promoting events, having fun with staff, and entertaining guests are just a few of the ways Ricky’s uses screens in their venue. Everyone loves how they pull in local sports feeds using RSS. But NightCap’s screen display, or NightCapTV, isn’t all for fun. Ricky uses it to sell more drink specials than he ever did before. Since adding the screen displays a lot more of his guests are ordering their featured items. Sometimes that means higher margins for him. Sometimes it means selling out a food item that is nearing its sell by date - which can be a real savings.

Ricky has noticed an increase in business since he started using ScreenScape. More people are coming into his establishment. He attributes this to the powerful effect ScreenScape has had on his relationships with neighboring businesses. One restaurant, in particular, Angelino’s, which also is a member of ScreenScape, has been particularly helpful in directing more traffic his way. Ricky was clever enough to realize that the people leaving Angelino’s next door were much more likely to stop in for a drink at his bar than people who are anywhere else. “It’s all about timing and exploiting the natural, lateral relationships in your network”, he says. “I use a drink special to plant the seed. And they’re in the perfect position to act”.

Because Angelino’s had a screen display near their cash Ricky saw that an ad for NightCap could be very effective in directing thirsty customers his way. So he partnered with Angelino on ScreenScape and now they feature ads for each other in their respective operation. “Angelino’s for supper, NightCap’s for a drink!”

## Example Business Case

### Better Home Hardware

#### ROI from Network Syndication

(out of venue marketing, sales promotion, brand awareness)

	Year 1	Year 2	Year 3
Overall Network Revenue increase %	2.0%	4.0%	5.0%
Avg Per store Profit increase \$	\$3,000	\$6,000	\$7,500
Overall Network Profit increase \$	\$60,000	\$120,000	\$150,000

# ScreenScape for Monetizing an Audience

## Benefits:

- Create lucrative new revenue stream
- Establish Supplier discounts
- Create new or enhance existing business models
- Participate in collaborative venue networks

## The Networking Advantage

Whether you're a single venue operation or a larger organization that has an established distribution network, ScreenScape offers you the ability to participate in or develop collaborative venue networks.

By partnering with a supplier, an affiliate network or a marketing group, managers of a single venue operation can participate in lucrative advertising chains that provide expansive reach and offer efficiency and broad appeal to National brands. Partnering in this way helps venue managers to drive additional revenue while offloading the effort required to establish multiple advertising relationships.

For marketing savvy organizations that want to establish a broad, far reaching vehicle for advertisers ScreenScape can be used to develop a collaborative venue network that spans organizational boundaries and may even consist of hundreds of independent venues working on their behalf. In this way a marketing organization can tap into the power of a vast-yet-granular distribution channel that can grow organically. This offers the potential of monetizing audiences in venues that they don't currently control.

ScreenScape is rapidly developing a world wide web of screen displays. Those who can see the potential for building their own collaborative networks within this web will stand to reap the greatest rewards offered by this new medium.

## Making Ad Revenues possible for small venues

Even the smallest venue has an audience, and small venue operators know their audience well. They know what initially brings them in, and what keeps them coming back. Small venue operators have deep insight into the screen content that would hold the interest of their select audience.

Until now, even a ready-made audience and good planning on what content would grab the attention of their audience has not been sufficient. Finding, creating, producing, scheduling and presenting media in a consumable format has been well beyond the means of most small venue operators. This situation has changed. The last five years of Internet evolution, and the introduction of services like ScreenScape, have made publishing media a consumer level activity.

A venue may have an audience of a demographic highly desirable to certain advertisers. It may have fantastic media content that keeps audience attention glued to the screen. The limiting factor for small venues is that their audiences are too small to capitalize on through advertising. The overhead costs associated with advertising placement are too high for an audience 50 members strong. However, if that audience can be bundled with 100 other venues with a common demographic, overhead per audience member is reduced and the revenue potential becomes attractive.

If you can group the displays of those 100 venues to be sold as a single venue network, and perhaps throw in an ad broker with specific domain expertise, economies of scale make the revenue potential from "third party" advertising worth pursuing. Those 100 venues become 100 small media companies, creating and sharing their own content for their own audiences, but each taking a share of potentially valuable ad campaigns.

Venue Networking is a lucrative opportunity for venues operating a screen display: members of ScreenScape can allow third parties to place content on the screen displays in their network, monetizing on their existing audience through advertising.

## Establish Supplier Discounts

Some venues may also have an additional route to revenue through Venue Networking, beyond advertising revenue. Many venues are supplied through a centralized distributor, who in turn has established relationships with specific suppliers and brands. These distributors have a vested interest in the promotion of the brands they carry at the venues they supply. In a low effort approach to capitalizing on existing relationships, many venues can realize discounts from their distributors in exchange for hosting promotional material on their ScreenScape displays.

## Example Business Case

### Better Home Hardware

ROI from Ad Sales / Supplier Discounts

(3rd party ads played to venue audiences over 1 full year)

	Year 1	Year 2	Year 3	
Ad occurrences in each playlist	4	4	4	4
Repeats in same playlist	1	1	1	1
Playlist rotations / hr	3	3	3	3
Total Impressions on Network / yr	748800	748800	748800	748800
CPM (cost per 1000 impressions)	\$2.00	\$2.00	\$2.00	\$2.00
Per store Revenue (Impressions*CPM)	\$1,498	\$1,498	\$1,498	\$1,498
Network Revenue per year	\$29,952	\$29,952	\$29,952	\$29,952

## Supplier Discount Case Study: DentalSphere

Imagine DentalSphere, a regional distributor of medical products that supplies dentist offices with key dental care products like tooth paste and dental floss. By working with dentists to establish a screen display network, they have created a new service that offers each dentist their own customer information network perfect for educating and entertaining patients as they sit in their waiting room.

Having a network of fifty or a hundred dentists all operating a DentalSphere screen display allows DentalSphere to offer new services to its suppliers - including manufacturers of brand names like Oral-B and Crest which are marketed to dentists and consumers alike.

By building its own screen display network Dentsphere has expanded and created new efficiencies in the value chain that runs from manufacturers of dental products to dentists and consumers. By capturing additional value DentalSphere is able to sell revenue-generating advertising services and negotiate better terms from their existing roster of suppliers. By passing on some of this value to their dentists they are able to grow and maintain their own collaborative venue network. By keeping some of that value for themselves they are able to grow their business, see greater profits, and continue to exceed shareholder expectations.

## Additional Areas of Return

### Benefits:

- Save on printing costs, advertising costs
- Competitive-positioning
- Good corporate citizenry
- Enhanced Organizational intelligence

### Savings on established costs

Most venues have established costs related to advertising and promotions which can be diverted or reduced by implementing a venue networking solution. Printing costs for paper fliers, schedules and brochures can be drastically reduced or eliminated. Advertising costs with local periodicals and broadcasters can also be scaled back dramatically. Targeted solutions like venue networking allow venue operators to reach local audiences with much greater efficiency, making every ad dollar count.

### Improved Competitive Positioning

With all the benefits of Venue Networking, the edge it provides is a competitive advantage in its own right. Organizations using this solution are better at communicating to audiences within their venue, better connected to their local market, better able to monetize their existing audience assets, and are perceived to be a step ahead of the pack by objective observers. On the whole, this gives them a significant advantage over competitors who don't enjoy these benefits.

### Good corporate citizenry

Many for-profit venues have existing relationships with non-profit organizations. Venue Networking can be used as a simple and effective way of giving these partner organizations valuable assistance, by offering access to venue audiences. Hosting content to promote fund raising efforts, public announcements and awareness campaigns are a few simple and low cost examples of the charitable potential of venue networking.

### Enhanced Organizational intelligence

A well trained and highly informed workforce can't be underestimated. Highly distributed large organizations can use venue networking solutions to keep their employee base informed and connected to the big picture, while keeping screen content relevant at the local level. In a recent survey, "90% of Retail Winners said that their top opportunity for improving the in-store experience is through technology to empower and educate in-store employees".<sup>4</sup>

<sup>4</sup> *Technology Enabled Customer Centricity in the Store, a Benchmark Research Report*, RSR Research, January 2007.

## Savings Case Study: Jazz Festival

The Solstice Jazz & Blues Festival is a local event that features multiple performances over three nights, in various local music venues.

Every fall as the event date approaches, Solstice needs to raise audience awareness. ScreenScape proved to be the perfect tool for them to get the word out to their audience. By creating advertisements using ScreenScape, they drastically reduced costs they had previously incurred for fliers, posters and newspaper ads.

They shared these advertisements with 3 other summer Jazz & Blues festivals, as well as several bars. This allowed for Solstice to use other festivals and venues who cater to the same audience of Jazz & Blues fans, to invite their patrons to the Solstice event.

The campaign raised a lot of awareness for the event and when the event date rolled around Solstice had already figured out that they could use the same service to assist in their event management. Rather than pay to print out paper event schedules, they used strategically placed screen displays to communicate key logistics through a just-in-time delivery approach. Not only was this cheaper, it proved to be much more friendly to the inevitable last minute schedule and venue changes.

Finally, Solstice quickly realized that, with their ScreenScape account, they had a new way to sell the event to sponsors. By offering screen space as part of their marketing package they were able to attract several remote sponsors who could use the medium to demonstrate their product. They were also able to maximize this new revenue by avoiding a portion of the high end printing costs of sponsor banners and ad placements.

## Example Business Case

### Better Home Hardware

#### Additional Benefits

(Printing costs, competitive positioning, organization intelligence)

	Year 1	Year 2	Year 3
Printing cost savings across the network	\$1,000	\$1,500	\$1,500

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