

Navigating the currents of future trends



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Predicting the future is a murky task at best, and making highly specific future picks often can amount to throwing darts at a dartboard — blindfolded.

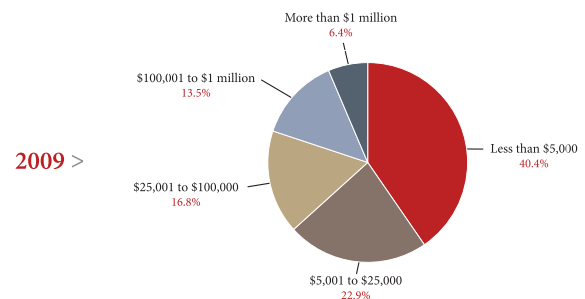
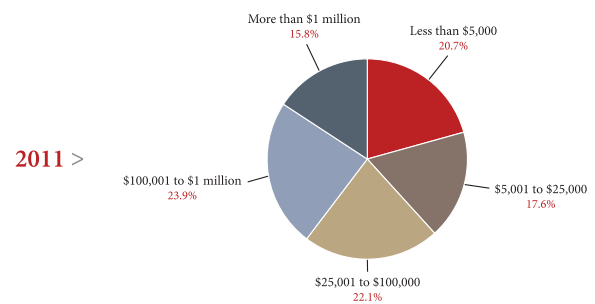
But forecasting larger trends to come is a necessary component of planning for success, and making certain your company is ready to face whatever the future may bring.

The Digital Signage Future Trends 2011 report aims to give readers a sense of the strong currents that will influence the course of the digital signage space in the next few years.

We've compiled future-case scenarios from some of the top minds in the space, working to create a composite snapshot of where the industry is headed. We've also gathered survey results about how things stand today and where they're headed, and compared those results to the same survey questions from two years ago.

Many of the future trends that were becoming obvious in 2009 are increasingly important today, which in some cases begs the question, "When is this going to be a current trend, instead of a possible future trend?"

4. How much are you planning to spend on digital signage in the next two years?



In 2011, more than double the amount of respondents in 2009 said they expected to spend more than \$1 million on digital signage. Clearly, the industry is growing.

A divide is growing in the industry between companies newer to the space focusing on more expensive, feature-rich displays and deployments, and the need for the industry as a whole to focus more on pervasiveness, or ubiquity.



Discovering the answer will be fun, but the journey will certainly be more fun for those agencies and firms that have properly prepared themselves — and the future might not last terribly long for those who haven't.

Our expert commentators expect, among other things, for digital signage and mobile technology to increasingly converge; for digital signage to get smarter; and for digital signage to become more pervasive. And the survey says ... they're probably right.

Growth of digital signage

In 2009, just a little more than half of respondents said their budgets for digital signage would be increasing in the next two years, but now just less than three quarters reported they expected their budgets to increase. The largest percentage of respondents, nearly 24 percent, said they expected to spend between \$101,000 and \$1 million in the next two years, while nearly 16 percent

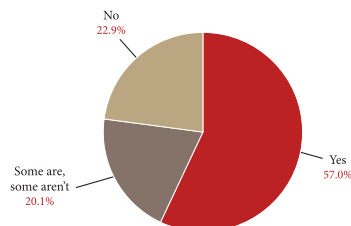
said they expect to spend more than \$1 million, which is more than double the percentage from two years ago.

Speaking of pervasiveness, the percentage of survey respondents who reported that their companies deployed no digital signage at all has dropped significantly, from well over a third to well under a quarter. And while the majority expected to deploy between zero and 24 screens two years ago, the overall majority this time say they expect to deploy 25 screens or more. (The largest percentage in both surveys, though, did say they expected to deploy between one and 24 screens in the next two years, with 42.2 percent in 2009 and 24.1 percent this year.)

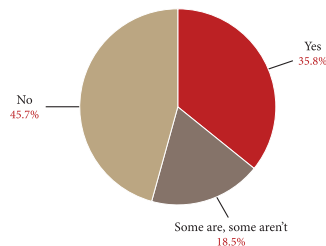
Among some of the other interesting developments we saw in the surveys, a greater percentage of respondents now say their screens are networked (nearly 60 percent). That's a clear reversal of percentages from 2009, when almost half (45.7 percent) reported that they weren't and just more than a third (35.8 percent) said they were.

7. Are your screens networked, so that you can update content remotely?

2011 >



2009 >



Nearly 60 percent of screens are networked, up from just more than a third of screens in 2009.

Divisions within the industry

That reflects the sentiment I encountered in a recent conversation with a longtime digital signage industry figure. This digital signage software pioneer said he saw a divide growing in the industry between companies newer to the space focusing on more expensive, feature-rich displays and deployments, and the need for the industry as a whole to focus more on pervasiveness, or ubiquity. He said the industry needs to work on making sure there are digital signage screens everywhere, on every table in every restaurant and on every street corner.

Tellingly, one of our commentators also expects for the divide between the high end and low end of digital signage to increase in the coming years.

Why invest in digital signage?

Most of our survey respondents said "customer experience" was the primary reason for companies to invest in digital signage over the next two years (59.2 percent), with "branding" coming in a close second (52.9 percent) and "ad revenue" coming in third (43.3 percent).



New technologies

One thing certainly hasn't changed: "Interaction with mobile devices" is still the runaway leader for the technology expected to have the greatest impact on digital signage in the next two years. While there was an uptick in respondents choosing "audience recognition/measurement" (26.8 percent to 33.8 percent) and "social networking" (23.3 percent to 33.1 percent), mobile is still expected to cause the biggest ripple. Nearly 60 percent chose mobile as the technology that will have the greatest impact in 2009, and just more than 60 percent chose mobile this time.

One of our experts providing a commentary in these pages thinks that digital signage companies that don't fully engage with mobile will go the way of the dodo, and he may well be right. But when does it stop being a future trend and start being a current issue?

Only time will tell.

