

5 Timely trends in in-store technology

From Bill Clapes, Allure Fusion Media

SEPTEMBER 01, 2005 -- 1. Digital signage

As display technology costs continue to drop and structured testing proves valid ROI for digital signage, companies are committing to enterprise-wide rollouts as an enhancement to their customer communication strategies. In limited cases, the ROI is realized through the replacement of traditional signage, but more often "digital" is being applied in conjunction with static signage and is used where it is most effective-in motivating consumers to make purchase decisions at the point of sale.



2. Radio frequency identification (RFID)

RFID technology has long promised to transform the supply chain by making products identifiable to store inventory systems. Driven by mandates from Wal-Mart and the U.S. Department of Defense, suppliers and software giants are ramping up the effort to develop scalable, standardized solutions for deploying RFID technologies. These efforts and the reduction in cost for the tags themselves will make it easier for mid-size organizations to leverage RFID for streamlining inventory and ordering processes.

3. Digital advertising network

Advertisers are actively searching for alternative methods to connect with consumers. Traditional broadcast media are no longer providing the direct link to consumers that advertisers desire. The idea of creating "narrowcasting" networks of digital displays in public spaces has been around for several years; however, the demographic focus of most has still been too broad to interest major advertisers. Now, enterprising companies are developing networks of displays targeted at specific audiences where they eat, shop or gather. Advertisers are beginning to shift traditional ad budgets to these networks as the CPM (cost per thousand) impressions become quantifiable in actual viewership and consumer action.

4. Digital order confirmation and suggestive selling

When integrated with a store's POS system, digital signage can do much more than present simple promotions or advertising-it can do the work of up selling or cross selling that salespeople sometimes forget to do. Systems capable of presenting dynamic content (assembled "on the fly") can accept POS transaction output and display the purchased items along with related items that would be of interest to the consumer at that moment. Whether it's an offer to upsize those fries, or a suggestion for earrings to match that new sweater, consumers react favorably to information that is relevant and timely.

5. Mapping and analyzing in-store customer behavior

Is that the right shelf height for basketballs? Are you sure that those fuzzy slippers would sell best from that endcap? Today, some technology companies are finding definitive answers to those questions and more by mapping in-store customer behaviors, analyzing the data and providing actionable recommendations for product placement and store layout. These improvements can increase sales and provide a more pleasant in-store customer experience.

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