## Missing Out The Middle

## Man, DSI Connect Goes

## Direct To The Big Brands

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DSI Connect has a simple premise for its digital-signage business model: follow the money.

Rather than trying to hawk its network around penny-pinching retail-store marketing departments, who often can't decide where the funding for new media is going to come from – marketing budgets, merchandising budgets or elsewhere – DSI Connect has been going straight to the people who have money and are willing to spend it: the brands. Its current clients include Armani, Biotherm, Lancome, Dockers, L'Oreal, Reebok, and a host of other international household names.

For each one, DSI Connect provides a bespoke end-to-end service, from the manufacture of POP fixtures, through the design of content, to the scheduling and management of program loops using its proprietary Brand Marketing Network (BMN) digital-signage software platform.

"The foundation and success of our company is primarily attributed to working directly with global brand leaders," says Marc Weshler, VP at DSI Connect. "We can work closely with the brands to match their vision for what they want the consumer experience to be and provide the best and most appropriate solutions."

A division of Display Systems, Inc. (DSI), a company with more than 20 years' experience in retail-display design and manufacture, DSI Connect has managed to successfully harness its parent's existing relationship with brands, and to direct them towards the benefits of a move to digital in-store merchandising.

With the brands on-side, DSI Connect then approaches retailers, who are more receptive to host the new in-store media – firstly because they don't have to pay for it, and secondly because their most valuable suppliers are already sold on the idea.

As well as fixture-mounted plasma and LCD signage displays, DSI Connect's network of over 200 installations includes a large number of interactive applications, including touchscreens and units with Universal Product Code (UPC) scanners, which allow consumers to activate content by scanning the barcodes of specific products.

The company has recently tried to encourage its clients to consider displays with UPC scanners rather than touchscreen systems. This is partly due to the extra content-creation costs and lead time required for designing multi-step touchscreen programs, partly because multiple-screen logic trees have a tendency to confuse users – especially if they do not know where the sequence ends – and partly because a three-minute interaction per customer reduces the opportunity for other people to view the content.

But with scanning applications, says Weshler, the customer has already has the product in hand, and is taken to exactly where they want to go. He explains that this knowledge of the customer's product interest also gives much better for cross-merchandising opportunities.

**A service company, not a media owner**According to Weshler, DSI Connect does not position itself as a media company, a fact reflected in the company's revenue model. Rather than selling airtime on the networks based on a delivered audience or a


Armani is one of a long list of global brands for which DSI Connect creates custom fixtures and dynamic
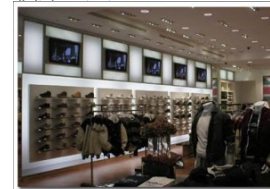

Having partnered with individual brands, DSI Connect finds it easier to secure retailer cooperation


Content creation for scanner-enabled units is more cost-effective than for touchscreen applications, according to DSI Connect

cost-per-thousand (CPM) basis, the company charges a flat fee based on the cost of hardware, software, content creation, and maintenance per unit.

Weshler says that content is created at the minimum cost, often through the repurposing of the brands' existing print or animated creative work. He explains that each package is entirely determined by the client's objective, with no set parameters for content format or length of loop.

For example, installations fitted with UPC readers usually play an attractor loop of up to two minutes, during which time important slides or images are repeated. For other applications, the content may be adapted to coincide with the launch of a new product – in which case the frequency of that product's image in the loop is increased – or simply for brand-awareness campaigns.

"Our job in the content-creation process is to understand our client, the retail environment in which the program is placed and the consumer it is intended to reach, to make sure that the appropriate tone is matched for all of those elements," says Weshler.

All of DSI Connect's displays have the capability to play audio, but again this is a decision that is made by the client; some brands use sound through the entire loop, while others only include audio files to correspond to a UPC scan in response to specific consumer requests for information. The audio option is controlled remotely, allowing clients to decide if and when to turn it on.

**"More to network value than sales uplift"** DSI Connect conducts no formal research on its programs, allowing the measure of its networks' success to be determined by its clients. However, Weshler insists that there is more to the DSI Connect in-store installations than ROI through sales uplift.

"For some of our clients it has purely to do with communicating the product – if they have a new product they want to communicate that to consumers in the shortest amount of time and in an interesting manner – to them that has value," he says.

The relationship of the brand image with technology is another important factor. Weshler gives the example of Dockers, a designer of men's clothing, which incorporates stain-defender technology into its products and marketing campaigns. Not only does the presence of Dockers-branded interactive digital screens in the store reinforce the brand's high-tech image, it shows that Dockers is in touch with its core audience of tech-savvy young males.

Another value of the interactive screens is the ability to compile data on consumer preferences and traffic figures. DSI Connect's software allows clients to parse information on scanned items by product, store, time and date. With touchscreen installations, brands can see how many touches were made per visit, which screens were viewed, and how far down specific logic-tree sequences each viewer progressed.

Stores can also project the figures on interaction against total store-traffic data to determine the percentage of customers that used the units.

Weshler says that the ability to monitor user-traffic patterns gives DSI Connect an insight into how well different content is received, and whether specific campaigns were successful in attracting more customers.

The company's installations also help with training of in-store staff. Weshler points out that there is a great deal of time and money invested in creating a brand's image through marketing and design departments, but that the communication effectively stops at store level. Products are left in the hands of retail employees, a group not familiar with all the marketing messages and with a famously high rate of turnover.

The in-store displays, however, get the store personnel "speaking the same language as the marketing and sales group", according to Weshler.

**Now retailers show interest too** Because DSI Connect does not deal with retail partners directly, it cannot define its individual networks in terms comparable to those run by retailers. Weshler says that the company does not

![aka logo] the definitive source of intelligence
for an industry with an identity crisis

contemplate going after entire retail chains, or securing the "4000-screen home run", preferring instead to introduce digital signage to its big-brand clients, and developing the media according to their needs.

But in a departure from its direct-to-brands model, DSI Connect is "now crossing lines where retailers are looking at programs for themselves", says Weshler. A key consideration will be to ensure that any future store-based programs do not conflict with existing projects for brand clients, he adds.

While he observes that retailers increasingly view themselves as brands, Weshler does not want to run counter to the interests of his original big-name patrons. He admits: "I don't think we would ever have had the opportunity of dealing with the retailer if we had not been successful with the brand-based programs."

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