

Success Starts with Strategy:

A 5-Step Guide to Develop Your In-Store Digital Content Strategy

WHITE PAPER - February 2014

By Alan Buterbaugh
Senior Vice President, Content Engineering
Wireless Ronin Technologies



WIRELESS RONIN®
TECHNOLOGIES

Table Of Contents

Executive Summary	3
Step 1: Identify Business Objectives	4
Step 2: Create an Audience Profile	6
Step 3: Identify Content Assets	7
Step 4: Consider Timing	9
Step 5: Identify How You'll Measure Impact	10
Case Study: Chester's Considers Local Needs As It Shoots to Lift Sales	12
Case Study: KFC Uses Digital Marketing to Appeal to a New Generation	13
Conclusion	14

Executive Summary

Don't let the attraction of shiny digital technology lead you to abandon your strategic marketing habits. Digital marketing is just like any other marketing – it's a tool to help you achieve your business objectives.

By spending a few hours upfront developing an in-store digital content strategy, you'll save time on the backend changing your hardware installation when it doesn't work or trying to justify more funding for a failed initiative.

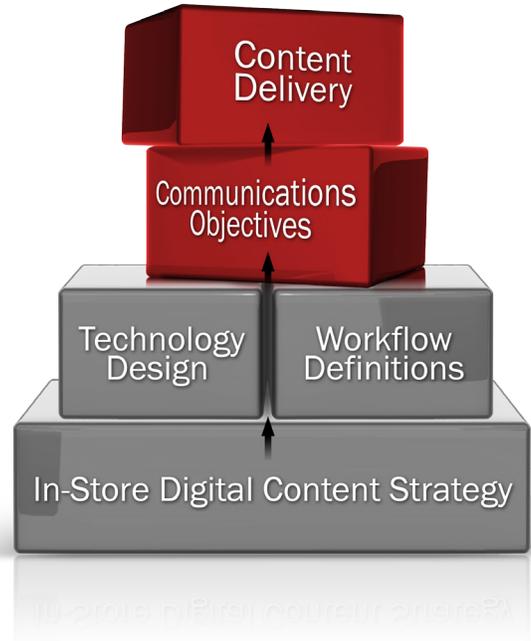
In store digital marketing success starts with strategy. It dictates which types of digital devices you should use, where they should be located in the store, and how often the content should be updated. Strategy provides the stable foundation on which you apply your ever-changing communication objectives. Together, they help you define the most appropriate content and technology design.

We've broken down the strategy development process into 5 simple steps with this high-level guide:

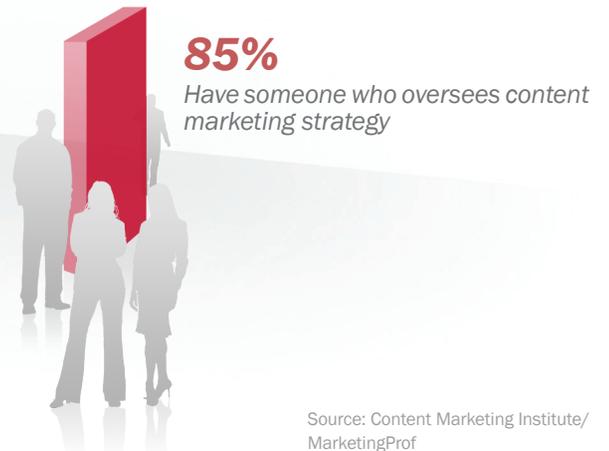
- Step 1:** Identify Business Objectives
- Step 2:** Create an Audience Profile
- Step 3:** Identify Content Assets

- Step 4:** Consider Timing
- Step 5:** Identify How You'll Measure Impact

Use this guide to start thinking about and documenting your in store digital content strategy. This initial planning will be critical in establishing the technical framework and workflow definitions for your digital network. Then you'll be ready to effectively handle the day-to-day business requirements that define your dynamic and very fluid communications objectives. The result is a system and methodology that supports your unique business environment and delivers the contextual content required to produce meaningful results.



Best-in-Class B2C Marketers Recognize the Importance of Content Strategy¹



Source: Content Marketing Institute/MarketingProf

Step #1

Identify Business Objectives

The first step to developing content strategy is to identify what you're trying to achieve. Typically, business objectives are part of an overall marketing strategy; digital signage is another marketing tool to help you reach your goals.

Your objectives may fall under one or more of these categories:

Operational Efficiency

Objectives designed to address things like cost, speed to market and in store sales effectiveness.

Offer Management

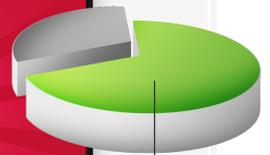
Objectives related to promotions and sales.

Customer Engagement

Objectives designed to help you connect more effectively with your customers.

The chart below highlights some common business objectives and ways in which in-store digital marketing might help achieve them:

Times Square Coffee Shop Increases Customer Engagement with Digital Signage



65%

emailed and/or posted
to social media)

To meet its business objective of increasing customer engagement with the brand, a coffee shop in New York's legendary Times Square is leveraging its unique location. It commissioned a creative in-store Photo Booth application. Customers can take a brand centric Times Square-themed souvenir photo and retrieve it via their smartphone to share with their social networks.

Over the course of a year, more than 72,000 photos were taken, with 65 percent of them emailed and/or posted to social media.²

See Step 5 on Page 11 to learn about the importance of measurement.

CATEGORY	BUSINESS OBJECTIVE	SAMPLE IN-STORE DIGITAL MARKETING SOLUTION
Operational Efficiency	Reduce excess inventory	Digital signs promoting excess inventory
	Decrease training costs	Employee e-learning programs that leverage existing customer digital technologies and product information
	Reduce marketing material costs	<p>Interactive kiosks or tablets to replace printed and shipped product brochures</p> <p>Easy-to-update digital menu boards to replace printed and shipped menu boards</p> <p>Electronic coupons downloaded from digital displays or sent to mobile devices</p>
Offer Management	Increase average transaction value	<p>Digital signs or touch order kiosks with contextual promotions that could be tied to customer loyalty data.</p> <p>Interactive kiosks or tablets with product selector programs that match customers with products based on their needs</p>
	Increase up sells and cross sells	Smart receipts or mobile coupons with contextual offers tied to customer transactions
Customer Engagement	Increase customer satisfaction	Mobile devices with product information to make sales associates more knowledgeable
	Decrease perceived wait time	Digital signs with local news, events and promotions in service areas and checkouts
	Increase loyalty program participation	In store mobile integration to link to CRM enrollment

Step #2

Create an Audience Profile

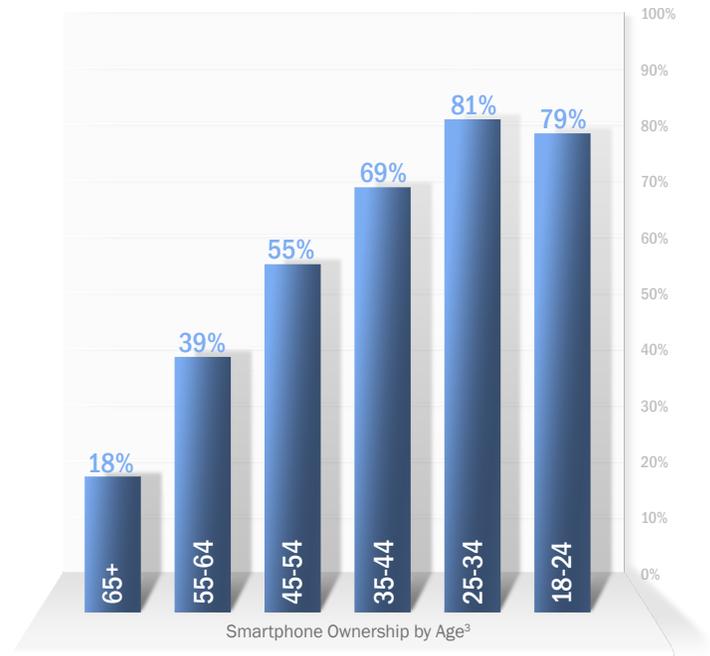
The next step is to consider your audience. To meet your objectives, who do you need to reach? All customers, a specific segment of customers, or maybe employees? What do you know about this audience?

It helps to create a profile so you understand your target's motivations, needs and technology usage. Here are some important factors to consider in building a profile:

Demographics

What are your audience's age, income level, education and cultural background? These can influence your messages and choice of device.

For example, older audiences may not be as familiar with technology, so simple digital signs may attract their attention without being overwhelming. Younger, tech-savvy audiences may be more attracted to interactive apps that let them explore ideas or share insights via social media.



Does Smartphone Marketing Make Sense for Your Audience?

Source: Pew Research Center

Customer Purchase Path/Employee Workflow

How your audience moves through the purchase path and about your store can help you determine where to locate digital displays. Consider how your customers pass through the following purchase path stages and where these activities occur:



Consider where the customer is on the path when they get to your store. Have they already done information gathering online, which is typical with big-ticket items like appliances. Did they interact with your brand online via social media? If so, how can you provide continuity with where they left off?

What stages does the customer accomplish inside your store? When do they pause? Which areas have the most and least traffic? What's the expected speed of service? If most of your customers like to get in, purchase and get out, then you might consider wayfinding kiosks at the entrance to help them locate merchandise quickly. If they like to gather information or evaluate alternatives in the store, a mobile app that give sales associates access to extensive product information may be valuable. Digital technologies can help you improve speed of service all along the path to purchase.

Similarly, if your objectives are around training sales associates or equipping them with digital information, consider their workflow. A quick analysis can help you discover when and where technology could be most beneficial for employees.

Step #3

Identify Content Assets

While it's too early in the process to develop actual content, knowing what type of assets are available is important because it will impact your technology design and budget.

The building blocks of digital content are typically product-related assets, such as images, video and product data. If these already exist in a data warehouse or digital asset management system, it could save you time and money down the road in content maintenance.

But your highest-value, highest-impact resource is real-time, customer-related data — such as the customer's transaction history, location and social media posts about you. Integrating this data allows you to create personalized or contextually relevant messages that are more likely to be noticed, read and acted on.

Another benefit of using real-time data is that it reduces staff time and costs. Automatically importing data from an existing database relieves corporate or local staff of data-entry and programming duties.

Given the advantages of real-time data, it's not surprising that marketers expect to make greater use of it, accordingly to a 2013 survey of more than 700 top marketers by InfoGroup Targeting Solutions.⁴

Real-Time Data Usage Increasing⁴

How do you plan on using real-time data in your 2013 marketing campaigns?



53%
Plan on making greater use of real-time data in their marketing campaigns



Source: InfoGroup Targeting Solutions/Yesmail Interactive



Location-Based Texts Increase Credit Card Spend⁵

Source: Alliance Data

Real-Time Data You Can Leverage to Create Contextual Content

DATA	POSSIBLE CONTEXTUAL CONTENT
<p>CRM Data – customer data and any attributes you may have associated with them in a Customer Relationship Marketing database</p>	<p>Display a welcome back message on digital sign at store entrance, linked to customer’s mobile device so it recognizes them</p>
<p>Location Information – the screen location and attributes of the surrounding neighborhood</p>	<p>Display demographic specific content based on location</p>
<p>Store-level Attributes – store data including store type, store hours, POS data and inventory levels</p>	<p>Automatically remove a product promotion from a digital sign when the product is out of stock or present product information based on store type</p>
<p>User Triggers – the consumer’s transaction behavior or interaction with the content</p>	<p>Recommend products based on consumer’s response to motivation or to preference questions on interactive solutions</p>
<p>Social Media Interactions – information about how customers access your messages through social media or share posts about your business</p>	<p>Display social media posts on in-store screen</p>
<p>Device Type – the channel/digital screen the consumer is looking at when receiving your message</p>	<p>Deliver simplified, resized content if customer views on mobile device or use this data to trigger secondary messaging</p>
<p>Third-Party Data – news, weather, music and local event feeds</p>	<p>Promote umbrellas or windshield wipers during rain storms or hot drinks when the temperature is below a certain point</p>

Step #4

Consider Timing

Timing encompasses many facets of digital marketing:

Content Length

What's an appropriate content length? For an animated display, the loop should be based on your audience's average dwell time, which will differ by audiences and needs. For example, the loop designed for customers in the queue at a service desk with an average wait time of two minutes can be much longer than the loop designed to grab passers-by and get them into your store.

For an interactive application, the user determines how long to spend at each segment, but you need to consider how many segments are needed to meet your objective. For example, a QSR restaurant using a touch-order kiosk to reduce order wait time needs to consider how best to organize all the menu items and customizations available with each item — so that the application is intuitive and customers can order quickly.

Message Timing

Another consideration is time of day and/or day of the week. If your customers shop differently or purchase different products based on specific days or time periods, you may want to consider a dayparting strategy, in which you deliver messages during precise time or day slots. For example, if you're sending a mobile offer to "test drive a vehicle today," not many customers can come in during the middle of a weekday. It might be more strategic to send the message at the end of the workday or on the weekend.

If you're using real-time data to drive contextual content, as outlined on the previous page, then the data will typically drive automatic message timing.

Update Frequency

How often you update your content will depend on your objectives and audience. For digital displays, a basic method to determine frequency is based on how often the average viewer sees the screen. Is your customer seeing it once a day at a coffee shop or once a month at a department store? When the customer returns, there should be new content so they're motivated to watch it or interact with it again.

For interactive applications, which often integrate real-time data such as available inventory or pricing, content will change as the data changes.

A key benefit of digital over print marketing is that you can cost-effectively update it on a regular basis, but this requires some pre-planning. Once you know how often you plan to refresh content, you should develop a content calendar that identifies what new messaging you plan to add. You can always veer from the plan in response to current events or new real-time contextual data that becomes available, but having a content plan will help optimize your digital investment.



Step #5

Identify How You'll Measure Progress

Measurement is important for two reasons. One, it can help you demonstrate success, which is typically needed to ensure ongoing funding for your initiative. Two, it can help you understand which content resonates with the customer and which content needs refining to improve future digital initiatives.

Depending on your objectives, your measurements may be quantitative or qualitative:

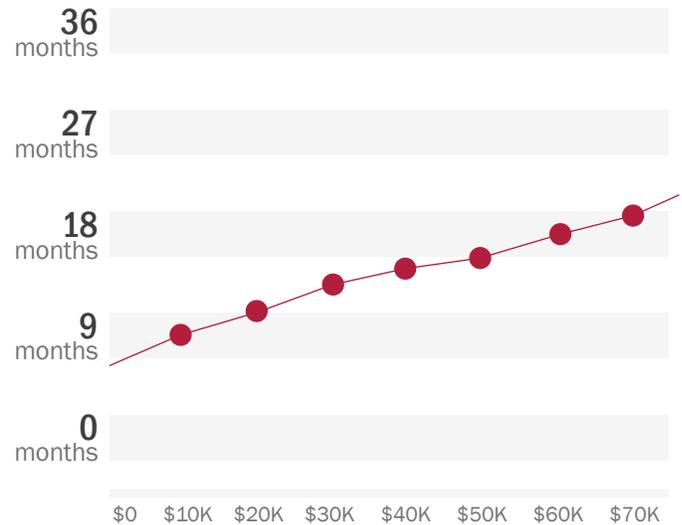
Quantitative ROI Measurement

Measuring return on investment is typically used with business objectives related to Operational Efficiency and Offer Management, because there are cost savings or increased sales involved. Not only do you measure if the objective was met, such as increased sales lift, you also measure the return on your investment over a specific time period.

The example at right shows the industry average return on investment for digital menu boards, based on the average sales lift of 3 percent to 5 percent after installing digital menu boards.⁵

The Digital Screenmedia Association (DSA) developed an online ROI calculator, available to members, that helps calculate ROI of digital signage networks. It takes into account the cost of the network — including capital equipment costs, content development and operating costs — and the benefits — including any reduced printing costs and co-marketing dollars generated, in addition to the specific objective benefits such as net revenue gains or reduced training costs. The tool then calculates the annual return on investment and payback period.

Average Time to Recoup Digital Menu Board Investment⁵



Based on an industry average sales lift of 3 percent to 5 percent after installing digital menu boards.

Source: Digital Signage Today

Want access to the online ROI calculator?

As a DSA member, Ronin Technologies can work with you to input your digital signage data into the calculator and determine the potential ROI of your planned project. Contact us at 888.369.7678 to learn more.

Qualitative (ROO) Measurement

Return on Objective measurement enables you to prove campaign impact when it's not possible or feasible to tie it directly to sales. ROO is often used with Customer Engagement objectives, such as increasing brand awareness, retaining loyalty program members or increasing social media engagement.

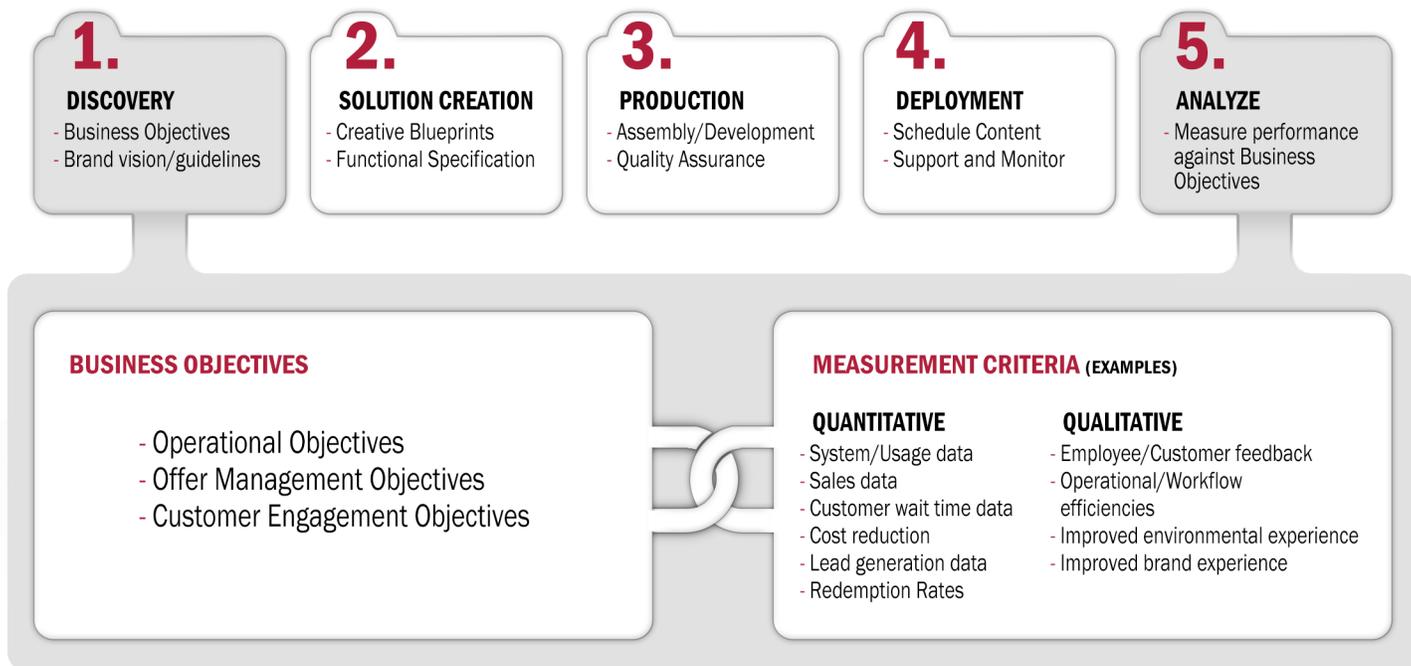
You may not be able to tie these accomplishments directly to your bottom line, but you know they're moving you in the right direction.

Measurement Tools

You need to identify how you'll capture the data necessary to measure progress. Measurement tools can include:

- Surveys/interviews
- Traffic counters
- Calculating interactive touch screen response
- Video recording of viewers
- Anonymous Video Analytics (AVA), using embedded camera sensors and face detection software
- Coupon redemption
- Traffic to specific URL from QR code
- Social media data
- Sales data
- Operational cost data

Sample Measurements Based on Objective



CASE STUDY:

Chester's Considers Local Needs As It Shoots to Lift Sales

In an effort to increase sales lift, International QSR company Chester's International is installing digital promotion boards in new franchises. The company had been sending printed promotions to its 2,000 locations for local managers to post, but compliance was low.

The Content Strategy

Prior to designing content, Chester's worked closely with Ronin Technologies to develop a digital content strategy. During the process, the company also looked at the needs of its franchise owners, since they're integral players in the company's success. Other key factors that went into the content strategy:

BUSINESS OBJECTIVES	AUDIENCE PROFILE	CONTENT ASSETS	TIMING CONSIDERATIONS	MEASUREMENTS
<p>Increase sales lift</p> <p>Increase the consistency of promotions while giving franchisees some control</p>	<p>Existing customers with varying profiles based on franchise location, which includes colleges and universities, airports, convenience stores, truck stops, and supermarkets</p>	<p>Static product images</p> <p>Database of menu items available at each location</p>	<p>All locations offer a separate breakfast menu</p>	<p>Compare sales of promoted items at each participating location</p>



The In-Restaurant Solution

Ronin Technologies recommended digital promotion boards installed in new franchises near the customer queue. Content — which includes animation of static product images and messaging — is centrally created and scheduled to ensure consistency and compliance. Images are dayparted so breakfast items are shown during breakfast hours. Because franchisees set their own prices and the variability is extensive across locations, local managers have the option to input local pricing.

CASE STUDY:

KFC Uses Digital Marketing to Appeal to a New Generation

Yum! Brands has an ambitious business objective for its venerable global KFC brand: attract a new generation of loyal customers. In an effort to rebrand the chain, Yum! developed a new fast-casual concept called KFC Eleven. The moniker is a nod to the eleven herbs and spices in the chain’s original chicken recipe. But that’s where the connection to the original brand ends.

The pilot restaurant in Louisville, Kentucky, has a new look and new menu designed to transition the brand into a healthier, more modern version of itself. The chicken here is mostly in flatbreads, salads and rice bowls with a global influence; flavors include Sweet Orange Ginger, Caribbean Tango and Southwestern Baja.



The Content Strategy

Working closely with Ronin Technologies, KFC Eleven developed a digital content strategy that considered these key factors:

BUSINESS OBJECTIVES	AUDIENCE PROFILE	CONTENT ASSETS	TIMING CONSIDERATIONS	MEASUREMENTS
Increase sales Keep customers longer to engage with the brand	White collar 18- to 44-year-olds; think original KFC is outdated; want to eat healthier; socially active	Product images Looked to 3rd party data feeds that would connect the target audience to the new brand by entertaining and informing.	Some menu items are more suited to lunch or dinner Looked to 3rd party data feeds and images to entertain customers and enhance the dining experience so they stay longer and want to return.	Compare overall store sales both before and after conversion to new KFC Eleven concept and also compare to store sales of existing KFC's in same market.

The In-Restaurant Solution

To reinforce the breadth of fresh, simple, healthy food and help customers choose what to order, since the concept is new, Ronin Technologies recommended a digital promotion board near the start of the order queue. It features mouth-watering close-ups, such as a steaming bowl of tomato soup. Content is dayparted to feature time-appropriate foods, such as sandwiches for lunch and garlic smashed potatoes for dinner.

To keep customers engaged with the brand longer, a second screen in the dining area provides infotainment. It’s linked to third-party data including music, weather and local event information – chosen to appeal to the younger audience.

Within six months of opening, the concept proved successful enough that Yum! plans to open a second Louisville location in 2014.

Conclusion

Before you invest in digital signage, be sure you've done the necessary strategic thinking to fully leverage that investment. By first considering the five key factors that drive a sound strategy — business objectives, audience profile, available content assets, timing and measurement — you'll be better prepared to work with a vendor and create a successful in-store digital network.

About Ronin Technologies

Ronin Technologies, Inc. (www.wirelessronin.com) is a pioneering marketing technologies company. We combine interactive digital media — signage, kiosks, mobile, social media and web — to create a 360-degree solution so companies will be “Communicating at Life Speed” to deliver the right content to the right audience at the right place at the right time. Our turnkey approach includes strategic consulting, solution design and development for both customers and sales associates, installation, hosting and support. Since launching our cloud-based RoninCast® content management platform in 2003, we've become the leading digital marketing provider for large-scale deployments in retail, automotive, food service and public venues. We're headquartered in Minneapolis, Minnesota. Our common stock trades on the OTCQB as “RNIN.”

Want help documenting your digital content strategy?

Ronin Technologies' solution design consultants are ready to assist you.
Contact a Ronin Technologies sales representative to learn more:

Call [888.369.7678](tel:888.369.7678) or Complete the Contact Us form at wirelessronin.com





Alan Buterbaugh

Senior Vice President, Content Engineering
RONIN TECHNOLOGIES

abuterbaugh@wirelessronin.com

519.946.4120

References

1. "B2C Content Marketing: 2014 Benchmarks, Budgets, and Trends—North America. 2013." Content Marketing Institute and Marketing Profs. http://contentmarketinginstitute.com/wp-content/uploads/2013/10/B2C_Research_2014-withlinks.pdf. 2013.
2. Data on file at Wireless Ronin Technologies.
3. "Smartphone Ownership: 2013 Update." Pew Research Center's Internet & American Life Project. http://www.pewinternet.org/~media/Files/Reports/2013/PIP_Smartphone_adoption_2013.pdf. June 5, 2013.
4. "Data-Rich and Insight-Poor: 2013 Survey Report." Infogroup Targeting Solutions and Yesmail Interactive. http://www.infogrouptargeting.com/lp/its/data-rich-insight-poor/Data-Rich_and_Insight-Poor_Infographic_from_ITS_and_Yesmail.jpg. October 2012.
5. Press release. "Alliance Data And Locaid Collaborate To Deliver Geofence Capabilities For Store-branded Credit Card Programs." <http://www.prnewswire.com/news-releases/alliance-data-and-locaid-collaborate-to-deliver-geofence-capabilities-for-store-branded-credit-card-programs-202505371.html>. April 11, 2013.
6. Hall, Christopher. "Digital Menu Boards and ROI." Digital Signage Today. <http://www.digitalsignagetoday.com/whitepapers/2813/Digital-Menu-Boards>. 2013.

RoninCast is a registered trademark of Wireless Ronin Technologies, Inc.

For more information contact us today.

5929 Baker Road, Suite 475

Minnetonka, MN 55345

888.369.7678

www.wirelessronin.com



WIRELESS RONIN®
TECHNOLOGIES

Communicating At Life Speed®