Maintaining The Momentum

By Richard Cobbold, *The Screen Forum*

These have been stressful times for marketing sector trade fair organisers. With a general savaging of marketing budgets by both potential exhibitors and their customers - getting halls filled and traffic on the floor has been a significant challenge. The effort though seems to have been worth it-- all the shows so far this year (including ISE, DSE & last week's ScreenMedia Expo) have been well attended, and have helped maintain



a good sense of momentum across the digital signage and digital out-of-home industry.

However putting a finger on that momentum and trying to work out what it actually means remains a little tricky. It doesn't look like many companies are enjoying bumper times - and most conversations one way or another seem to revert back to surviving 'the credit crunch'. So having just spent a few days at ScreenMedia Europe, I have pulled together some thoughts and impressions that may explain why, given these conditions, the market still seems to feel like it is moving ahead with confidence...

1) The industry is no longer a side show.

The media industry is starting to believe that digital out-of-home might provide some salvation from all the red ink around. The show's MediaWeek conference saw a record amount of 'non-tech' attendees and though not all the speeches made for particularly comforting listening, they did at least confirm that digital is on the map (Samsung's marketing team for example confirmed that digital was now an established part of its media mix, even if they still plan to spend less money this year!). At the 'big four' traditional outdoor media companies - the rush is on to claim leadership credentials. A couple of years ago it was pretty difficult to drag a head-honcho from CBS, JCD or Clear Channel to a digital signage show - this year however they were conspicuous by their commanding presence around the bar. At the big tech companies too it would appear there something of a plan. Sony this year pulled out of ISE (and recent reports suggest they are pulling out of IBC too), but they were at Screen Expo. Whilst Samsung openly declared Digital Signage to be their primary focus for sales growth in the coming year.

2) There is some real and interesting data around.

The organisers at ScreenExpo really pulled out the stops with the amount of conferences and seminars held over the two days. How many times have we been to these 'conferences' just to be sold to and given the same old worthy platitudes about the industry. I am not saying you can't still find that, but there is a growing weight of real useful data and interesting experience emerging. This data is the result of the major investment in digital infrastructure that has taken place in the last couple of years, some grown-up research from mainstream advertisers who have spent real money across the medium, and the growing profesionalism of some of the key suppliers. This is driving better decision making, and the industry is now beginning to benefit significantly from the franchisable nature of believable stories of reasonable success from trusted sources.

3) There are companies making money in the sector.

With external finance hard to come by and most of the early entrepreuneurs having run to the end of their 'friends and family' funds - what is left are companies that are actually making a living out of the industry. Companies that are charging the right amount of money and employing the right amount of people to deliver a service that real customers are valuing. They may not be growing exponentionally, but they have got some established customers and have focused their skills and propositions accordingly. This has evened out the playing field - and though it may give the impression of fewer 'conversations' happening on the floor - the reality is

that those remaining conversations are more worthwhile, and more likely to lead to real and profitable business opportunities.

4) Everybody's Friends Now.

No longer is every company development a closely guarded secret and competition a matter of 'life and death'. That's not to say that deals aren't being aggressively fought for - but companies have worked out that overall they are better off sharing information and working together where ever possible. As customers and contracts get bigger the common enemy are either the 'big iron' tech companies (with their reassuring balance sheets) or simply alternative media formats (with their established research and trading histories). This excellent trend is now finally driving real momentum to the adoption of common standards - as companies seek to protect their market positions and focus on their skills. It is also finally improving the quality of presentation and message, enabling our customers to see a unified industry that is able to properly explain itself and be worthy of serious consideration.

5) Realistic, But Still Optimistic.

Things Are Tough Out There. The industry may be growing, but not at the rate that the old-timers, the new entrants or their investors would like. However for every frustrating negative, there is an underlying exciting positive. Below are just a couple of completely unrepresentative soundbites, but each still belies an important story...

- "investment decisions may take 18 months to happen - but for every new media rights tender that comes out in the world of transit there is a significant digital element"
- "it may be fragmented and bureaucratic to the point of impossibility - but healthcare is growing and digital is fast becomming mainstream within it"
- "they may have limited funds for further expansion - but there are networks that have reached the scale where they are attracting real advertising dollars"
- "they may be weighed down right now with other 'sick' ventures - but the Private Equity Industry has woken up to and is actively tracking our sector

I'm sure there are many many other trends one could assess - but at the risk of repeating yet

more platitudes, in summing up the show I would say it was a genuine success for the industry. No doubt we will hear that exhibitor and visitor numbers were up - but for me, the real success was in the overall improvement of quality. Quality of presentation, quality of information, quality of proposition, quality of education and quality of professionalism. We're on the map, we can prove what we say, we can work together and we can make money.

For those who didn't exhibit or didn't visit - you missed the chance to be a part of this key milestone for the industry.

Richard Cobbold is Chairman of **The Screen Forum** and a director of **Digital View Ltd.**

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