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How to Measure Digital Signage ROI Accurately

By Richard Ventura

Accurately measuring ROI for digital signage is critical – both to justify the investment your business is making with a digital signage network and to make any adjustments to the deployment, content or other variables to maximize your network's impact once it's operational. Measuring ROI can also be complex, so as you start to plan and test your network, it's vital to build in appropriate measurements from the very beginning.

Taking the right approach to measuring ROI involves thinking about some basic fundamentals as you start creating the strategic plan for your digital signage network and as you begin to execute against that strategic plan. Identifying your primary objectives and defining how to measure the achievement of your goals are the keys to confirming that you're using the right solution to its fullest.

1. Lay out a basic strategic plan and objectives

Before you start thinking about how to calculate ROI, focus first on Return on Objective (ROO). ROO is widely considered to be a valuable measurement for digital marketing campaigns. To calculate ROO for your digital signage network, you must clearly define your key objectives and expected outcomes. These objectives should be specific and measurable.

A good approach for determining key objectives is to engage the teams that your digital signage network will impact directly. For example, if you're installing a network in a school, discuss its deployment with IT, faculty, and students. They will provide indispensable insights into what the key objectives of your network should be.

Key objectives include a wide range of elements. For example, if your business aims to sell more sweaters by marketing through a digital signage network, you need to have the right display technology, the right computing, the right CMS platform, and the right content. All of these elements should be among your key objectives.

2. Determine how to approach measurement

Once you have identified your objectives, it's time to focus on identifying which milestones will accurately provide the insights you need – either for deploying a new digital signage platform or making an extension to an existing platform. What are you going to measure?

A wide range of data – such as click-through rates on a touch screen, impressions and conversions – will tell you whether your objectives are being met. You can also deploy facial detection software, POS cross-references, beacons, RFID tags and readers, and other technologies to gather measurement data and gain insights into the types of customer engagements you're having.

For enterprises, the use of analytics, big data machine learning, and cloud computing can provide both depth and breadth of information about your digital signage network. It will broaden the types of measurement you can use and provide a complete view of the network's impact on your business.

For smaller, entry-level businesses, your measurements may be relatively simple. If you're a pizzeria, for example, your goal may be to increase the sales of your high-margin House Veggie Special pie by 30 percent. Measuring the number of sales is as easy as, well, pie.

3. Analyze how you measured up to your objectives

The final step to measuring ROI accurately for digital signage networks is to take your measurements and analyze them to see how well you achieved against your key objectives. This analysis will show how well you've achieved your objectives and will give you the ROI data you need.

Bringing it all together

Accurately measuring the ROI of your digital display network will ensure that you're setting yourself up for success. It will enable you to see what your network is accomplishing, and you can build from that, fine-tuning your network or experimenting with different approaches to maximize your ROI.

For further discussion, please join me at Digital Signage Expo 2018 for my presentation about measuring digital signage ROI accurately. It will be held on Thursday, March 29, 2018, at 9:00 a.m. For information on the Expo, visit http://www.digitalsignageexpo.net.

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