

# GOING DIGITAL?

5 WAYS TO INCREASE GROWTH  
WITH AN LED SIGN



912-385-0075

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# Going Digital? 5 Ways to Increase Growth with an LED Sign

For businesses and organizations, competition for consumers is stronger than ever. Attention spans are getting shorter at the same time individuals are exposed to an increasing volume and variety of advertising messages. In today's environment of advertising clutter, there is still a way for businesses and organizations to separate themselves from the noise and effectively target current and potential customers.

As the advertising and media landscape has changed in recent years, traditional media usage is down,

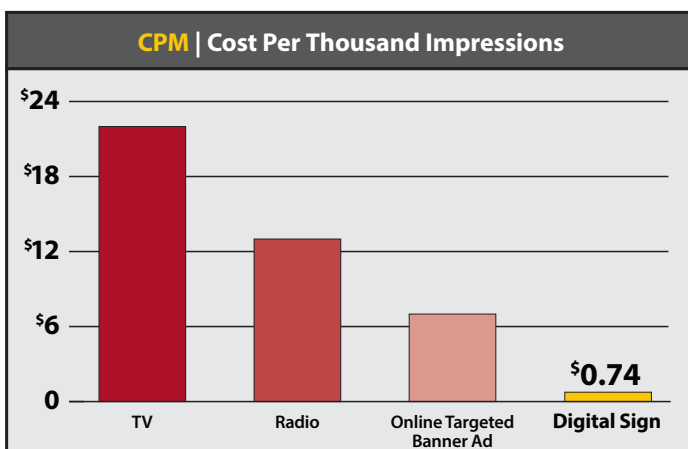
while more agile marketing methods are on the increase. A recent Arbitron study reports that the average time per week American travelers spend in their cars has increased to 20 hours. And many of those travelers drive the same route every day. And while traditional media views fall, digital sign impressions are on the rise. According to a recent study, the current healthy outlook for out-of-home advertising is mostly the result of projected growth in display-based digital advertising<sup>1</sup>.

## 1. LED Signs Deliver Results

According to a report from the National Signage Research & Education Conference, 59% of small business owners reported more sales after installing an on premise sign. With an LED on premise sign the cost per thousand impressions is as little as \$0.74—compared with \$7 for an online target banner ad, \$13 for radio and over \$22 for television. The decreased production time and cost make on premise digital advertising one of the most cost-effective forms of advertising available.

An example from the automotive industry shows how an increase in profits can offset the cost of a \$50,000 LED sign. With an average gross profit margin of 13% on the average new vehicle purchase price of \$33,419<sup>2</sup>, an LED sign can pay for itself within the first year of ownership by generating just 1.4 additional sales per month.

For businesses that focus on lower priced consumer goods, a 15% increase in daily sales volume would allow the sign to pay for itself within one to two years. For the average sized on premise sign with the cost amortized over five years, an LED sign would have an estimated cost per day of about \$26. For a quick service restaurant with an average net profit per meal transaction of \$2.50, the restaurant would need to sell just over ten more meals per day for the sign to pay for itself.



1 US Online and Traditional Media Advertising Outlook, 2017-2021, www.marketingcharts.com  
2 NADA, "State of the Industry Report," NADA DATA, 2015.

## 2. Engage Your Audience

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There are many key benefits an LED sign brings to marketing. The ability to target multiple messages in a way that is both responsive and cost-effective can have a great effect on your bottom line.

**Multiple Messages.** Unlike static signage or manual letter boards, LED signs allow you to change content as frequently as local zoning codes will allow. This versatility means that you can engage customers with messages dayparted according to time of day or weather conditions. To utilize the unique properties of digital advertising, changing and testing multiple messages gives businesses information to finely hone their advertising reach.

**Timely Communication.** Thanks to intuitive software, changing content on your digital sign can be planned months in advance or done in five

minutes. A digital sign is a media outlet you own, which means you set your own schedule rather than being bound by someone else's. With no costly production time, you can display messages with pre-determined start and stop dates.

**Cost-effective Advertising.** LED signs give you more than just flexibility and timeliness, they can also trim your advertising budget. It's important to consider an on premise digital sign as an advertising tool and not as a capital expenditure, as has been the traditional way of budgeting for a sign. As we've mentioned, the CPM for digital on premise signage is significantly lower than more traditional forms of media, which provide more responsiveness and customized programming. To fund the purchase of an LED sign, you can often redirect marketing costs from other areas, like radio, television or print.

## 3. Compare Digital Signage to Traditional Media

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Television, radio and print are traditional forms of advertising that, for decades, reached large numbers of people. Most of these advertising avenues are expensive and have had their effectiveness challenged in the current industry landscape.

A Pew Research Center analysis of data shows that total weekday circulation for U.S. daily newspapers—both print and online—fell 8% in 2016 to 35 million, the lowest levels since 1945<sup>1</sup>. AM/FM radio is also in the midst of a decline among younger generations, with self-reported listening declining by almost 50% between 2005 and 2016<sup>2</sup>.

While internet advertising may not seem like a traditional medium, the first internet banner ad appeared over 25 years ago<sup>3</sup>. The CPM for online target banner ads is over nine times that of an LED sign. While internet ads can provide more data on how to specifically target your audience, there is also a risk of being lumped in with the substantial advertising noise on webpages. Many internet users may not even notice your advertisement.

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1 Circulation and Revenue Fall for Newspaper Industry, [www.pewresearch.org](http://www.pewresearch.org)

2 Traditional Radio Faces a Grim Future New Study Says, [www.variety.com/2017](http://www.variety.com/2017)

3 [www.marketingtechnews.net/news/2013/sep/11/online-advertising-history-1993-present-day-infographic/](http://www.marketingtechnews.net/news/2013/sep/11/online-advertising-history-1993-present-day-infographic/)

## 4. Make the Most of Digital Signs

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Digital signage is one of the most dynamic ways to advertise for businesses and organizations. The ease of programming, cost efficiency and responsiveness to market conditions gives LED sign owners many advantages in targeting consumers.

As signage resolution continues to advance, image quality and video capabilities provide more advertising options. However, without quality content management software a sign is just a box

of lights and wires. Good operating software and regularly updated libraries of artwork keep content fresh and versatile. Software can also allow you to daypart content and customize playlists.

Look for a content management software that is easy to operate and responsive. This allows you to focus on promoting your business or organization, turning your digital sign into a powerful promotional tool and community landmark.

## 5. Community Visibility

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The Small Business Administration states that an LED sign almost immediately becomes a landmark in its community. Many new LED sign owners testify to being noticed again—or even discovered for the first time after installing their signs.

Passing viewers look forward to reading new messages, including public service announcements, civic event information, personal and holiday

greetings, and the current time and temperature. This public visibility often leads to people remembering your location. Whatever your marketing strategy—better recognition, flexibility in messaging or being in control of your advertising—upgrading to an LED sign is a step forward in growing your business or organization.

## Why Watchfire

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Watchfire has been designing and manufacturing outdoor electronic signs since 1932 and is one of the world's leading digital signage manufacturers.

**Reliability.** Watchfire signs have the highest uptime of any manufacturer in the industry. Streamlined design and minimal connection points make installation easy and reduce the possibility of failure. Fewer connection points systematically increase reliability for the life of your LED sign.

**Quality Content.** Our Ignite® content management software is an easy to use, intuitive program for creating and scheduling messages. Software training is free with every purchase to help everyone on your team learn how to create eye-catching advertising messages. Dynamic features let you schedule messages based on temperature or weather changes, and because our software is in the cloud, you can control one sign, or many, from any internet connected device.

**Unmatched Durability.** Watchfire encapsulates every outdoor LED module for superior weather resistance. Our products are rigorously tested for durability and are proven to withstand internal cabinet temperatures from -40° to 140° F. Wherever your restaurant is located, you can count on your Watchfire sign to perform dependably.

**Stellar Service.** Watchfire and our national network of qualified sign dealers will be there to support you from purchase to installation, and from operation to maintenance. We provide unmatched customer support to both the sign dealer and you. With more than 85 years in business, we have the experience and resources to deliver superior quality and customer service.

We have more than 60,000 Watchfire LED signs in daily operation worldwide. Join a growing list of local, regional and national restaurants who know that a Watchfire sign can help drive traffic and increase sales.

## Advertise Smart. Grow Your Business. Your Watchfire Representative can Show You How.

Call your Watchfire Representative or visit [watchfiresigns.com](http://watchfiresigns.com).



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