

## Global Store Chain to Begin Digital Signage Deployment with Innovative Business Model

Finding that store managers had moved forward with an array of different proprietary digital signage solutions, the IT management at this Cisco customer decided to prove the viability of one integrated solution based on the Cisco Digital Media System (DMS).

EXECUTIVE SUMMARY
<b>DISCOUNT, GROCERY, &amp; CONVENIENCE STORE CHAIN</b> <ul style="list-style-type: none"> <li>Thousands of stores around the world</li> </ul>
<b>BUSINESS CHALLENGE</b> <ul style="list-style-type: none"> <li>Replace current array of proprietary digital signage solutions with single, IP-based, standards-based solution</li> <li>Validate business case and return on investment in pilot with Cisco global partner to demonstrate viability of a single solution that will bring advertising revenue and increase sales based on special promotions and discounts</li> <li>Provide a user interface that allows content provider to easily manage the digital signage content being displayed</li> </ul>
<b>NETWORK SOLUTION</b> <ul style="list-style-type: none"> <li>Cisco Digital Media System for Retail</li> </ul>
<b>BUSINESS RESULTS</b> <ul style="list-style-type: none"> <li>Readying 2010 pilot in 200 stores</li> <li>Planning deployment of Cisco Digital Media system pilot for corporate content in country head offices</li> </ul>

### Business Challenge

This chain of discount, grocery, and convenience stores has been a Cisco customer for many years, with core network foundation solutions across the thousands of hypermarkets, supermarkets, and convenience stores. In 2008, the IT department realized that a subset of individual stores had directly contracted with advertising specialty agencies to deploy digital signage, with advertising content transmitted through parallel and dedicated connections. The advertising promotes products in the stores, regional events, and other products and services outside of the stores, such as airlines and hotels. In exchange for allowing the deployment of one LCD screen per store, the company receives a percentage of the advertising revenue, with the rest going to the advertising specialty agency that solicits the advertisers, develops the content, and deploys and operates the digital signage systems.

The corporate IT department wanted a centralized, standards-based IP network solution for digital media throughout all of the stores. The department also wanted to define and have more control over the content. And aside from using the infrastructure for digital signage, the store chain wanted to be able to add different types of digital media applications cost effectively and efficiently to an existing system.

### Network Solution

IT and corporate management at the store chain decided on the Cisco DMS solution for digital signage to be operated in partnership with a Cisco global partner. Cisco DMS is a comprehensive suite of digital signage, enterprise TV, and desktop video applications. It allows companies to use digital media to increase sales, enhance the customer experience, and provide training and corporate communications.

A pilot to validate the total solution, including the use of the global Cisco partner as manager of the system, is scheduled for the middle of 2010 in a store in Europe. The digital signage solution is already deployed in some of the company's headquarters offices.

“The company is very comfortable with technology from Cisco,” says the Cisco account manager. “They anticipate that the business model will demonstrate the benefits of outsourcing digital media so they can focus on their core competencies”. “The main challenge in the pilot is to create a local submission form interface so that local store employees can upload content tailored to special promotions or discounts. Another challenge is moving off the current solutions, where the technology and the ads are totally paid for by big manufacturers.” In the long run, however, the store chain expects to generate revenue from higher product sales as well as advertising while maintaining much more control.

A Cisco Digital Media Manager is deployed centrally at the corporate data center to manage the transmission of media to the screens in the store.

Following the anticipated success of the pilot, the retailer is planning to deploy the Cisco DMS in hundreds of stores in Europe. Another project will provide Cisco DMS for an enterprise TV service in their country head offices, providing executives with corporate communications and training. Plans are also being considered for deployment of the Cisco DMS in back office areas of the largest stores and in warehouses.

“With the Cisco DMS solution in place, it became very easy for the customer to leverage it for corporate signage, e-learning, and other applications, optimizing their overall investment in digital media,” says the Cisco account manager.

## Business Results

According to the Cisco account manager, “They have seen how the Cisco end-to-end IP network provides cost efficiencies and fast time-to-market for new network solutions. And this is a time when the use of video in retail is in its infancy. We’re talking with them about a variety of possible applications — such as video surveillance, video kiosks with specialists on-demand, or putting

cameras in LCD screens to observe customer behavior as they watch digital content — that may greatly enhance the retail experience and profitability.”

### PRODUCT LIST

#### Digital Media

- Cisco Digital Media Player 4400G
- Cisco Digital Media Manager

## For More Information

To find out more about Cisco Solutions for Retail, go to:

<https://www.cisco.com/web/strategy/retail/index.html>



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