Introduction

While digital signage systems have been broadly adopted across a wide array of vertical markets, many companies still have difficulty budgeting for the upfront and ongoing expenses that these systems require.

Additionally, though many companies cite “cost” as a major factor in determining whether to implement a digital signage network, there has been very little research into how much digital signage actually costs, not to mention how much companies feel it should cost.

This report aims to address the pricing confusion in the market by providing a comprehensive estimate of the costs of implementing and managing a digital signage network. The estimates have been assembled using data collected from network owners and operators, service providers, and component vendors. They are further broken down based on network size (small, medium and large).
The cost of a 100-node network

Our study indicates that the cost of installing a 100-node digital signage network and operating it for three years (excluding content and personnel costs) is approximately $372,000, or $3,720 per node ($103/node/month). In this case, a node is a single screen powered by a single digital signage media player.

Table 1 shows the breakdown of costs by component.

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>40&quot; LCD screen</td>
<td>$875</td>
</tr>
<tr>
<td>Player hardware</td>
<td>$700</td>
</tr>
<tr>
<td>Display mount</td>
<td>$140</td>
</tr>
<tr>
<td>Player software</td>
<td>$400</td>
</tr>
<tr>
<td>Management software &amp; tech support</td>
<td>$915</td>
</tr>
<tr>
<td>Installation</td>
<td>$490</td>
</tr>
<tr>
<td>Initial project management</td>
<td>$200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$3,720</strong></td>
</tr>
</tbody>
</table>
Has the cost changed much over time?

Yes, considerably. When WireSpring first began tracking the market in 2004, the cost of installing a 100-node network was more than twice as costly, at $8,500 per node. Costs have fallen steadily since then.

Capital costs for digital signage networks, 2004-2010
Between 2009 and 2010, the cost of implementing a 100-node network decreased 14%, mostly due to falling software and service prices. Hardware actually rebounded slightly from 2009 levels, reflecting improved world economic health in 2010.
While digital signage networks continue to require significant upfront capital investments, commoditization of commercial monitor and player hardware and increased competition in the digital signage software market since 2004 have shifted the cost equation. Today, about half of the cost of a network goes towards software and services.
Pricing differences based on experience

Not surprisingly, individuals who have different amounts of experience with digital signage tended to answer pricing-related questions differently. Thus, in order to accurately assess pricing expectations for the components featured in our analysis, it was necessary to sort the responses we received based on the experience level. Respondents were placed into one of four categories:

- **No experience** (has not yet completed a digital signage project)
- **Small network experience only** (has only worked on digital signage projects with fewer than 100 screens/nodes)
- **Large network experience only** (has only worked on digital signage projects with 100 screens/nodes or more)
- **Mixed experience** (has worked on both large and small network projects, as defined above)
Experience levels and average prices

The average prices presented earlier in this report are based on the responses from the “Large network experience only” and “Mixed experience” categories, since those are the people who have actually worked on projects involving 100 nodes or more.

However, the averages that appear in the rest of this report take all four of the experience levels into account. As a result, these prices may be different than the average prices shown earlier.
Screens and Display Hardware
What should a 40” commercial LCD cost?

Highlights:

– Prices of commercial screens bottomed out in 2009, due to the poor state of the global economy and significant pressure from consumer-grade models.

– Regardless of experience, all respondents indicated the “sweet spot” for a 40 inch commercial display to be between $750 and $1,000.
What do people expect to pay for a 40" commercial LCD screen (including 3 year warranty)?

(Among those with no project experience)

- 40% $750 - $1,000
- 20% Less than $750
- 20% $1,000 - $1,200
- 20% $1,200 - $1,500
- 0% $1,500 or more

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for a 40" commercial LCD screen (including 3 year warranty)?

(Among those with small project experience only)

- 44% $750 - $1,000
- 23% $1,000 - $1,200
- 23% Less than $750
- 7% $1,500 or more
- 3% $1,200 - $1,500

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for a 40" commercial LCD screen (including 3 year warranty)?

(Among those with large project experience only)

- 54% $750 - $1,000
- 23% $1,000 - $1,200
- 10% $1,200 - $1,500
- 10% Less than $750
- 3% $1,500 or more

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for a 40" commercial LCD screen (including 3 year warranty)?

(Among those with mixed project experience)

- 61% $750 - $1,000
- 23% $1,000 - $1,200
- 8% $1,500 or more
- 8% Less than $750
- 0% $1,200 - $1,500

For more about this data, visit www.wirespring.com/reports/
LCD Screens: Commercial or Consumer?

Highlights:

– Commercial displays are still overwhelmingly selected over their consumer-grade counterparts.

– Virtually all large networks rely exclusively on commercial-grade screens.
Are people more likely to use commercial or consumer-grade screens in their projects?

(Among those with no project experience)

- **67%** Consumer
- **33%** Commercial
- **0%** Don’t use

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade screens in their projects?

(Among those with small project experience)

- 91% Commercial
- 9% Consumer
- 0% Don’t use
Are people more likely to use commercial or consumer-grade screens in their projects?

(Among those with large project experience)

- **100%** Commercial
- **0%** Consumer
- **0%** Don’t use

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade screens in their projects?

(Among those with mixed project experience)

100% Commercial

0% Consumer

0% Don’t use
Projectors: Commercial or Consumer?

Highlights:

– Projectors are the second most commonly-used display device in digital signage deployments.

– Despite the often large differences between consumer/prosumer projectors and commercial units, the latter group is heavily favored by those using them in digital signage deployments.
Are people more likely to use commercial or consumer-grade projectors in their projects?

(Among those with no project experience)

- 100% Don’t use
- 0% Consumer
- 0% Commercial

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade projectors in their projects?

(Among those with small project experience)

- 48% Commercial
- 34% Don’t use
- 18% Consumer

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade projectors in their projects?

(Among those with large project experience)

- 66% Commercial
- 24% Don’t use
- 10% Consumer

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade projectors in their projects?

(Among those with mixed project experience)

60% Commercial
20% Consumer
20% Don’t use

For more about this data, visit www.wirespring.com/reports/
Which screen sizes are most common?

Highlights:

– Screens in the traditional 30-50 inch range still drive the majority of networks.

– Many large projects are using smaller screens in addition to (or instead of) large screens, with the current sweet spot being in the 7-12 inch range.
What size screens are most commonly used in digital signage projects?

(Among those with no project experience)

- 67% 30 - 42 inches
- 33% Larger than 60 inches
- 0% Projector
- 0% 50 - 60 inches
- 0% 42 - 50 inches
- 0% 24 - 30 inches
- 0% 19 - 24 inches
- 0% 12 - 19 inches
- 0% 7 - 12 inches
- 0% Less than 7 inches

For more about this data, visit www.wirespring.com/reports/
What size screens are most commonly used in digital signage projects?

(Among those with small project experience)

- 70% 42 - 50 inches
- 41% 30 - 42 inches
- 22% 50 - 60 inches
- 22% 24 - 30 inches
- 22% 7 - 12 Inches
- 19% 19 - 24 inches
- 11% Larger than 60 inches
- 11% 12 - 19 inches
- 4% Projector
- 4% Less than 7 inches

For more about this data, visit www.wirespring.com/reports/
What size screens are most commonly used in digital signage projects?

(Among those with large project experience)

- 59% 42 - 50 inches
- 45% 30 - 42 inches
- 24% 7 - 12 inches
- 15% Larger than 60 inches
- 14% 50 - 60 inches
- 14% 19 - 24 inches
- 9% Projector
- 9% 12 - 19 inches
- 7% 24 - 30 inches
- 0% Less than 7 inches

For more about this data, visit www.wirespring.com/reports/
What size screens are most commonly used in digital signage projects?

(Among those with mixed project experience)

- 72% 42 - 50 inches
- 46% 30 - 42 inches
- 36% 7 - 12 inches
- 27% 19 - 24 inches
- 18% 50 - 60 inches
- 18% 24 - 30 inches
- 18% 12 - 19 inches
- 0% Projector
- 0% Larger than 60 inches
- 0% Less than 7 inches

For more about this data, visit www.wirespring.com/reports/

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Media Players
What should a digital signage media player cost?

Highlights:

– The average price for a media player was $760, which is a decrease of 14.6% from the 2009 average of $890.

– While there is still strong niche market demand for high-end players costing more than $1,500, the bulk of sales are being driven by lower cost devices.
What do people expect to pay for a digital signage media player (just the hardware)?

(Among those with no project experience)

- 40% Less than $500
- 40% $750 - $1,000
- 20% $1,500 or more
- 0% $500 - $750
- 0% $1,000 - $1,200
- 0% $1,200 - $1,500

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for a digital signage media player (just the hardware)?

(Among those with small project experience only)

- 37% $500 - $750
- 33% Less than $500
- 27% $750 - $1,000
- 3% $1,500 or more
- 0% $1,200 - $1,500
- 0% $1,000 - $1,200

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for a digital signage media player (just the hardware)?

(Among those with large project experience only)

- 41% $500 - $750
- 28% Less than $500
- 28% $750 - $1,000
- 3% $1,500 or more
- 0% $1,200 - $1,500
- 0% $1,000 - $1,200

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for a digital signage media player (just the hardware)?

(Among those with mixed project experience)

- 38% $500 - $750
- 31% $750 - $1,000
- 23% Less than $500
- 8% $1,500 or more
- 0% $1,000 - $1,200
- 0% $1,200 - $1,500

For more about this data, visit www.wirespring.com/reports/
Media Players: Commercial or Consumer?

Highlights:

– Somewhat surprisingly, commercial media players dominate the digital signage landscape in both small and large deployments.

– Only those with no project experience were more likely to choose a consumer-grade player.
Are people more likely to use commercial or consumer-grade media players in their projects?

(Among those with no project experience)

67% Consumer
33% Don’t use
0% Commercial

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade media players in their projects?

(Among those with small project experience)

- **Commercial**: 82%
- **Consumer**: 18%
- **Don’t use**: 0%

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade media players in their projects?

(Among those with large project experience)

- **98%** Commercial
- **2%** Consumer
- **0%** Don’t use

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade media players in their projects?

(Among those with mixed project experience)

- **Commercial**: 90%
- **Consumer**: 10%
- **Don’t use**: 0%

For more about this data, visit [www.wirespring.com/reports/](http://www.wirespring.com/reports/)
Mounting Hardware
What should a tilting wall mount cost?

Highlights:

– Wall mounts continued to feel the effects of commoditization, with the average price falling over 20% from last year.

– Unsurprisingly, those with large project experience expect to pay less (no doubt due to volume discount expectations), but the overall size of discounts may be shrinking.
What do people expect to pay for a tilting wall mount?

(Among those with no project experience)

- 40% Less than $100
- 40% $100 - $200
- 20% $300 or more
- 0% $200 - $300

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for a tilting wall mount?

(Among those with small project experience only)

- 50% $100 - $200
- 40% Less than $100
- 10% $200 - $300
- 0% $300 or more

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for a tilting wall mount?

(Among those with large project experience only)

- 48% Less than $100
- 39% $100 - $200
- 13% $200 - $300
- 0% $300 or more

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for a tilting wall mount?

(Among those with mixed project experience)

- 48% $100 - $200
- 45% Less than $100
- 7% $200 - $300
- 0% $300 or more

For more about this data, visit www.wirespring.com/reports/
Wall Mounts: Commercial or Consumer?

Highlights:

– Despite the widespread availability of low-cost consumer wall mounts, respondents experienced with digital signage projects overwhelmingly indicated a preference for commercial offerings.

– Those without experience indicated a strong preference toward consumer mounts, likely due to lack of understanding of the benefits offered by many professional units.
Are people more likely to use commercial or consumer-grade wall mounts in their projects?

(Among those with no project experience)

67% Consumer
33% Don’t use
0% Commercial

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade wall mounts in their projects?

(Among those with small project experience)

- 72% Commercial
- 28% Consumer
- 0% Don’t use

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade wall mounts in their projects?

(Among those with large project experience)

- **Commercial**: 87%
- **Consumer**: 9%
- **Don’t use**: 4%

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade wall mounts in their projects?

(Among those with mixed project experience)

- **80%** Commercial
- **20%** Consumer
- **0%** Don’t use

For more about this data, visit [www.wirespring.com/reports/](http://www.wirespring.com/reports/)

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Ceiling Mounts: Commercial or Consumer?

Highlights:

– Again, respondents with digital signage project experience expressed a strong preference toward commercial mounts.

– A lack of consumer-grade ceiling mounts may also account for part of this trend.
Are people more likely to use commercial or consumer-grade ceiling mounts in their projects?

(Among those with no project experience)

- 50% Consumer
- 50% Don’t use
- 0% Commercial

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade ceiling mounts in their projects?

(Among those with small project experience)

- 88% Commercial
- 9% Consumer
- 3% Don’t use

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade ceiling mounts in their projects?

(Among those with large project experience)

- **93%** Commercial
- **7%** Don’t use
- **0%** Consumer

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade ceiling mounts in their projects?

(Among those with mixed project experience)

- 100% Commercial
- 0% Consumer
- 0% Don’t use

For more about this data, visit www.wirespring.com/reports/
Shelf Mounts: Commercial or Consumer?

Highlights:

– The preference for commercial-grade shelf mounts, while still strong, was less pronounced than for wall or ceiling mounts, even among those with project experience.
Are people more likely to use commercial or consumer-grade shelf(fixture) mounts in their projects?

(Among those with no project experience)

- 50% Consumer
- 50% Don’t use
- 0% Commercial

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade shelf/fixture mounts in their projects?

(Among those with small project experience)

- 65% Commercial
- 19% Don’t use
- 16% Consumer

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade shelf/fixture mounts in their projects?

(Among those with large project experience)

- 81% Commercial
- 12% Don’t use
- 7% Consumer

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade shelf/fixture mounts in their projects?

(Among those with mixed project experience)

- 70% Commercial
- 20% Don’t use
- 10% Consumer
Cables: Commercial or Consumer?

Highlights:

– Though we did not attempt to quantify the prices of commercial or consumer grade cables and extenders, respondents continued to indicate a strong preference toward professional kit.
Are people more likely to use commercial or consumer-grade cables/extenders in their projects?

(Among those with no project experience)

- 100% Consumer
- 0% Commercial
- 0% Don’t use

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade cables/extenders in their projects?

(Among those with small project experience)

85% Commercial
15% Consumer
0% Don’t use

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Are people more likely to use commercial or consumer-grade cables/extenders in their projects?

(Among those with large project experience)

- 83% Commercial
- 12% Consumer
- 5% Don’t use

For more about this data, visit www.wirespring.com/reports/
Are people more likely to use commercial or consumer-grade cables/extenders in their projects?

(Among those with mixed project experience)

- 90% Commercial
- 10% Consumer
- 0% Don’t use

For more about this data, visit www.wirespring.com/reports/
Installation
How much should installation cost?

Highlights:

– The average price for digital signage installation indicated by respondents was approximately $530, representing a 15% decline from 2009.

– “Installation” was taken to mean a two-man installation of a single 40” LCD screen and media player with cabling at ordinary height. Differences in union/non-union labor were not taken into account.
What do people expect to pay for screen and media player installation?

(Among those with no project experience)

- 20% $300 - $400
- 20% $500 - $600
- 20% $600 - $750
- 20% $750 - $1,000
- 20% More than $1,000
- 0% Less than $300
- 0% $400 - $500
- 0% Other

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for screen and media player installation?

(Among those with small project experience only)

- 28% $300 - $400
- 21% $400 - $500
- 18% Less than $300
- 18% More than $1,000
- 11% $500 - $600
- 4% Other
- 0% $600 - $750
- 0% $750 - $1,000

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for screen and media player installation?

(Among those with large project experience only)

- 29% $300 - $400
- 26% Less than $300
- 13% $400 - $500
- 13% $500 - $600
- 10% More than $1,000
- 6% $750 - $1,000
- 3% $600 - $750
- 0% Other

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for screen and media player installation?

(Among those with mixed project experience)

- 30% $300 - $400
- 23% Less than $300
- 23% $400 - $500
- 8% $500 - $600
- 8% $750 - $1,000
- 8% More than $1,000
- 0% $600 - $750
- 0% Other

For more about this data, visit www.wirespring.com/reports/
Software & Technical Support
How much should digital signage player software cost?

Highlights:

– The use of free and/or open source software packages rose 1% for small projects, but declined 3% for large projects since 2009.

– The average price cited across all experience levels was $496, representing a 31% decline from last year’s average of $725.

– Last year’s average for all experience levels was nearly 60% above the composite price listed for our 100-node network, likely because respondents entered what they have paid for software in the past, versus what they would pay for it today. This year’s average price was only 24% above the composite price, offering a better fit to typical volume discount curves.
What do people expect to pay for digital signage player software?

(Among those with no project experience)

- 25% $1 - $250
- 25% $500 - $750
- 25% $1,000 - $1,500
- 25% Why Pay?
- 0% $250 - $500
- 0% $750 - $1,000
- 0% More than $1,500

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for digital signage player software?

(Among those with small project experience)

- 31% $250 - $500
- 19% $500 - $750
- 15% $1 - $250
- 15% Why Pay?
- 12% More than $1,500
- 4% $1,000 - $1,500
- 4% $750 - $1,000

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for digital signage player software?

(Among those with large project experience)

- 39% $250 - $500
- 26% $1 - $250
- 19% $500 - $750
- 7% $750 - $1,000
- 3% $1,000 - $1,500
- 3% More than $1,500
- 3% Why Pay?

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for digital signage player software?

(Among those with mixed project experience)

- 50% $250 - $500
- 17% $500 - $750
- 9% Why Pay?
- 8% $1 - $250
- 8% $750 - $1,000
- 8% More than $1,500
- 0% $1,000 - $1,500

For more about this data, visit www.wirespring.com/reports/
What should self-hosted remote management software cost?

Highlights:

- A majority of respondents, regardless of experience level, now feel that management software should cost $5,000 or less.

- The percentage of those focused on small digital signage projects who don’t use self-hosted management software stayed approximately the same (28% versus 2009’s 32%).
What do people expect to pay for self-hosted remote management software?

(Among those with no project experience)

50% $2,500 - $5,000
25% Less than $2,500
25% I don’t use management server software
0% $5,000 - $7,500
0% $7,500 - $10,000
0% $10,000 - $15,000
0% $15,000 - $25,000
0% $25,000 or more
0% Other

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for self-hosted remote management software?

(Among those with small project experience only)

- 32% Less than $2,500
- 28% I don't use management software
- 14% $2,500 - $5,000
- 11% Other
- 7% $15,000 - $25,000
- 4% $5,000 - $7,500
- 4% $7,500 - $10,000
- 0% $10,000 - $15,000
- 0% $25,000 or more

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for self-hosted remote management software?

(Among those with large project experience only)

- 35% Less than $2,500
- 25% $2,500 - $5,000
- 16% I don’t use management server software
- 6% $5,000 - $7,500
- 6% $7,500 - $10,000
- 6% $15,000 - $25,000
- 3% $25,000 or more
- 3% Other
- 0% $10,000 - $15,000

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for self-hosted remote management software?

(Among those with mixed project experience)

- 31% Less than $2,500
- 23% $2,500 - $5,000
- 15% I don't use management server software
- 15% $15,000 - $25,000
- 8% $5,000 - $7,500
- 8% $7,500 - $10,000
- 0% $10,000 - $15,000
- 0% $25,000 or more
- 0% Other

For more about this data, visit www.wirespring.com/reports/
What should remote management software-as-a-service (SaaS) cost?

Highlights:

– While 21% of those who focus on small projects have never used SaaS-based management, only about 3% of those with large project experience have not used it.

– Price expectations for small and large networks are much closer this year than in years past, likely indicating the effect that free or very low-cost offerings (which traditionally attract small, low-end projects) have had.

– Given the very wide range of prices, it is likely that some of these SaaS plans include products and services that are not included with others.
What do people expect to pay for remote management software-as-a-service (SaaS)?

(Among those with no project experience)

- **67%** $100 - $250 per player per year
- **33%** Less than $100 per player per year
- **0%** More than $600 per player per year
- **0%** $400 - $600 per player per year
- **0%** $250 - $400 per player per year
- **0%** I don’t use SaaS
- **0%** Other

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for remote management software-as-a-service (SaaS)?

(Among those with small project experience only)

- 25% Less than $100 per player per year
- 21% $100 - $250 per player per year
- 21% I don’t use SaaS
- 18% $250 - $400 per player per year
- 7% $400 - $600 per player per year
- 4% More than $600 per player per year
- 4% Other

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for remote management software-as-a-service (SaaS)?

(Among those with large project experience only)

- **35%** $100 - $250 per player per year
- **25%** Less than $100 per player per year
- **22%** $250 - $400 per player per year
- **9%** $400 - $600 per player per year
- **3%** I don’t use SaaS
- **3%** More than $600 per player per year
- **3%** Other

For more about this data, visit www.wirespring.com/reports/
What do people expect to pay for remote management software-as-a-service (SaaS)?

(Among those with mixed project experience)

- 39% $250 - $400 per player per year
- 31% $100 - $250 per player per year
- 15% $400 - $600 per player per year
- 8% I don’t use SaaS
- 7% Less than $100 per player per year
- 0% More than $600 per player per year
- 0% Other

For more about this data, visit www.wirespring.com/reports/
What should technical support cost?

Highlights:

– Excluding those people who get support as part of their SaaS purchase, project managers are more likely to prepay for support annually on a per-node basis than pay per-incident, regardless of network size – a marked change from last year’s results.
What do people expect to pay for technical support?

(Among those with no project experience)

- 60% The cost is built into my Software-as-a-Service (SaaS) cost
- 20% I would pay $100 - $300 per player per year
- 20% I would pay $300 - $500 per player per year
- 0% I would pay less than $100 per player per year
- 0% I would pay more than $500 per player per year
- 0% I would pay less than $100 per incident
- 0% I would pay $100 - $300 per incident
- 0% I would pay $300 - $500 per incident
- 0% I would pay more than $500 per incident
- 0% Other

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What do people expect to pay for technical support?

(Among those with small project experience only)

- 40% The cost is built into my Software-as-a-Service (SaaS) cost
- 37% I would pay less than $100 per player per year
- 11% I would pay $100 - $300 per player per year
- 0% I would pay $300 - $500 per player per year
- 0% I would pay more than $500 per player per year
- 0% I would pay less than $100 per incident
- 0% I would pay $100 - $300 per incident
- 0% I would pay $300 - $500 per incident
- 0% I would pay more than $500 per incident

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What do people expect to pay for technical support?

(Among those with large project experience only)

- 44% The cost is built into my Software-as-a-Service (SaaS) cost
- 25% I would pay less than $100 per player per year
- 19% I would pay $100 - $300 per player per year
- 6% I would pay $300 - $500 per player per year
- 3% I would pay $100 - $300 per incident
- 3% Other
- 0% I would pay more than $500 per player per year
- 0% I would pay less than $100 per incident
- 0% I would pay $300 - $500 per incident
- 0% I would pay more than $500 per incident

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What do people expect to pay for technical support?
(Among those with mixed project experience)

- 54% The cost is built into my Software-as-a-Service (SaaS) cost
- 38% I would pay less than $100 per player per year
- 8% I would pay $100 - $300 per player per year
- 0% I would pay $300 - $500 per player per year
- 0% I would pay more than $500 per player per year
- 0% I would pay less than $100 per incident
- 0% I would pay $100 - $300 per incident
- 0% I would pay $300 - $500 per incident
- 0% I would pay more than $500 per incident
- 0% Other

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Other Services
& Cost Components
Other services used by digital signage networks

In addition to the hardware, software and support components, digital signage networks require a wide array of additional services, from content creation to project management. These include:

• **Logistics Management:** Hardware and software inventory control (possibly but not necessarily including purchasing), shipping and receiving management and RMA/warranty management.

• **Strategy Consulting:** Figuring out what the network is responsible for, setting goals and objectives, establishing measurement criteria for determining whether said goals and objectives have been reached, and possibly translating valid business lingo into management gobblygook to get the project approved.

• **Project Planning:** Developing an itemized to-do list of things that must be done before, during and after each screen is installed, parceling these tasks out to the relevant teams/groups, and making sure each team achieves their goals (and dealing with the fallout when they don't).
Other services used by digital signage networks

• **Content Strategy Consulting**: Upon figuring out the strategic purpose of the network, figuring out how to make content that will work towards those ultimate goals. May include aspects of content creation, but is often confined to a strategic and then editorial capacity.

• **Content Production**: Making all the pretty content that fills up the screens, and (frequently) cleaning up the not-so-pretty content that other people give you to put on your screens.

• **Content Management**: Assigning the content to the different screens on the network (and different areas on the screen) as appropriate, and then making sure that the content played correctly, at the right dates and times, and in the proper order and proportion.
Other services used by digital signage networks

• **Network/Operations Management**: Once the network is up and running, making sure that the screens continue to function properly, watching for systemic errors, and dealing with the random errors and issues that crop up over time.

• **Initial Project Management**: Some people choose to break out their project management into phases, and have a team dedicated only to the deployment phase. These people are responsible for coordinating site surveys, on-site construction (if needed), installation, shipping/receiving of the various parts that must arrive at each site, and generally making sure that each screen gets installed and turned on according to schedule.

• **Ongoing Project Management**: For networks that continue to grow over time, these services are very similar to those listed under "initial project management." For those that tend to deploy all-at-once and then stop, the services might look more like those under "network/operations management."
Other services used by digital signage networks

- **Installation Services**: The art of hanging screens, running power/network cables, drilling, hammering and otherwise making lots of noise all in the name of getting screens installed and lit.

- **Equipment Financing**: Spreading capital costs out over time through the use of leasing or other finance methods.
How do companies execute these services?

Companies across all experience levels uniformly handle most of the services surveyed in-house, either for cost management reasons, or because they are deemed critical to the performance of the network and thus too critical to outsource.

<table>
<thead>
<tr>
<th>Service</th>
<th>We do it in-house</th>
<th>We outsource it</th>
<th>We don't bother with it</th>
</tr>
</thead>
<tbody>
<tr>
<td>Logistics Management</td>
<td>70%</td>
<td>30%</td>
<td>10%</td>
</tr>
<tr>
<td>Strategy Consulting</td>
<td>90%</td>
<td>0%</td>
<td>10%</td>
</tr>
<tr>
<td>Project Planning</td>
<td>90%</td>
<td>0%</td>
<td>10%</td>
</tr>
<tr>
<td>Content Strategy Consulting</td>
<td>80%</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>Content Production</td>
<td>60%</td>
<td>50%</td>
<td>0%</td>
</tr>
<tr>
<td>Content Management</td>
<td>80%</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Network/Operations Management</td>
<td>100%</td>
<td>10%</td>
<td>5%</td>
</tr>
<tr>
<td>Initial Project Management</td>
<td>100%</td>
<td>10%</td>
<td>0%</td>
</tr>
<tr>
<td>Ongoing Project Management</td>
<td>90%</td>
<td>10%</td>
<td>5%</td>
</tr>
<tr>
<td>Installation Services</td>
<td>50%</td>
<td>70%</td>
<td>5%</td>
</tr>
<tr>
<td>Equipment Financing</td>
<td>45%</td>
<td>45%</td>
<td>10%</td>
</tr>
</tbody>
</table>
What percentage of people handle logistics management in-house?

- 100% of those with no network experience
- 70% of those with small network experience only
- 70% of those with mixed network experience
- 54% of those with large network experience only

What percentage of people handle strategy consulting in-house?

- 91% of those with small network experience only
- 90% of those with mixed network experience
- 78% of those with large network experience only
- 67% of those with no network experience

What percentage of people handle project planning in-house?

- 100% of those with no network experience
- 94% of those with small network experience only
- 90% of those with mixed network experience
- 85% of those with large network experience only

What percentage of people handle content strategy consulting in-house?

- 100% of those with no network experience
- 80% of those with mixed network experience
- 69% of those with large network experience only
- 67% of those with small network experience only

For more about this data, visit www.wirespring.com/reports/
What percentage of people handle content production in-house?

- 67% of those with no network experience
- 60% of those with mixed network experience
- 52% of those with small network experience only
- 48% of those with large network experience only

What percentage of people handle content management in-house?

- 80% of those with mixed network experience
- 78% of those with large network experience only
- 68% of those with small network experience only
- 67% of those with no network experience

What percentage of people handle network/operations management in-house?

- 100% of those with mixed network experience
- 79% of those with large network experience only
- 78% of those with small network experience only
- 67% of those with no network experience

What percentage of people handle initial project management in-house?

- 100% of those with mixed network experience
- 90% of those with small network experience only
- 89% of those with large network experience only
- 67% of those with no network experience
What percentage of people handle ongoing project management in-house?

- 100% of those with no network experience
- 90% of those with mixed network experience
- 80% of those with large network experience only
- 73% of those with small network experience only

What percentage of people handle installation services in-house?

- 67% of those with no network experience
- 50% of those with mixed network experience
- 42% of those with small network experience only
- 35% of those with large network experience only

What percentage of people handle equipment financing in-house?

- 67% of those with no network experience
- 44% of those with mixed network experience
- 36% of those with small network experience only
- 31% of those with large network experience only
What about personnel costs?

In addition to hardware, software and basic services, other critical elements such as content creation and personnel costs need to be considered for accurate budgeting purposes. Staffing for a typical 100-node network spanning approximately 100 unique venues requires approximately 7-15 people, including:

- Executive Management
- Venue Liaisons/Sales
- Technical Support
- Content Creation
- Content/Ad Traffic Management
- Logistics/Project Management
Personnel costs (continued)

WireSpring estimates the average personnel costs to manage a 100-node network to be approximately $472,500 in salaries and associated costs every year, for a total of $1.42M over the 3-year planning horizon considered in this survey.

This is equivalent to $39,375/month in expenses, or $394/screen/month. When added to the $103/month in capital expenses noted previously, the average screen in a 100-node network costs about $497/month inclusive of personnel costs. Consequently, a 100-screen network would need to earn slightly less than $50,000/month to break even. This number is virtually identical to that calculated in our 2009 report.

Note that the personnel cost number does not include insurance, taxes or other benefits typically afforded to staff, which can significantly increase staff-related expenses.
What about content costs?

One significant ongoing cost associated with a digital signage network is content creation. While web-based dynamic feeds and generic content service bureaus have somewhat reduced the need for large amounts of custom-produced content, virtually all networks require some amount of content creation and alteration.

Approximately 11% of the $472.5K annual personnel costs outlined above (roughly $52K/year) is devoted to content creation needs, whether in the form of a salary for an in-house designer, or fees paid to outside consultants.

One trend that may help reduce staff size and lower content creation cost is the advent of lower-cost media, like dynamic templates and web toolkits for content construction. Their use is noted in the following survey question results.
What is the content mix of a typical digital signage network?
(Among those with no project experience only)

- 100% Custom Full-Motion Video
- 100% Stock Video
- 100% Custom Images
- 100% Stock Images
- 100% Dynamic Templates
- 100% Fading Text
- 100% Dynamic Audio
- 67% Custom Flash
- 50% Stock Flash
- 50% Ticker/Crawls

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What is the content mix of a typical digital signage network?

(Among those with small project experience only)

- 73% Custom Full-Motion Video
- 73% Custom Images
- 66% Custom Flash
- 55% Stock Images
- 49% Dynamic Templates
- 46% Ticker/Crawls
- 42% Fading Text
- 42% Stock Video
- 29% Dynamic Audio
- 27% Stock Flash

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What is the content mix of a typical digital signage network?
(Among those with large project experience only)

- 86% Custom Full-Motion Video
- 83% Custom Images
- 76% Custom Flash
- 49% Stock Images
- 49% Dynamic Templates
- 46% Ticker/Crawls
- 44% Stock Video
- 42% Fading Text
- 40% Dynamic Audio
- 29% Stock Flash

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What is the content mix of a typical digital signage network?

(Among those with mixed project experience only)

- 90% Custom Full-Motion Video
- 80% Custom Images
- 80% Custom Flash
- 60% Stock Images
- 60% Dynamic Templates
- 50% Stock Video
- 40% Ticker/Crawls
- 40% Fading Text
- 30% Dynamic Audio
- 30% Stock Flash

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In conclusion

Continuing the trend that started in 2004, the cost of implementing a digital signage network of any size has never been lower, with component commoditization and economic conditions driving the cost of implementation down significantly from last year, even as the prices of some components (e.g. LCD screens) held steady or even increased slightly.

Additionally, the trend of companies internalizing most, if not all, of the critical services needed to deploy and maintain a network continues to hold.

WireSpring does not predict a meaningful decrease in the cost of components in 2011, as margins and production costs have already been driven down significantly. However, with focuses shifting to smaller screens and the efficiencies of easy-to-create dynamic content, we expect the average cost of implementing and managing a network will continue to decrease.
Methodology

The survey was conducted in November 2010 using the SurveyMonkey online survey tool. 279 total responses were collected. Most respondents were readers of the Digital Signage Insider blog, though some may have received the survey via a friend, colleague or social network notification (e.g. Twitter).

To determine the typical market pricing for each item in the study, WireSpring also conducted more thorough phone and email interviews with a number of network owners and operators in the United States. While in past years we have successfully integrated data from as many as 30 such companies, the 2010 interviews were decidedly less successful. Despite interactions with approximately 70 such companies, meaningful data was only gleaned from 7 of them.
About WireSpring

Founded in 2000, WireSpring provides digital signage technology that enables companies to streamline their sales process and communicate more effectively with customers and employees. The company’s FireCast product line powers digital signage networks, self-service kiosks, and other transactional and informational applications for customers worldwide. For more information, please visit:

http://www.wirespring.com

and

http://www.simpledigitalsignage.com
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