



## How to make money on Digital Out of Home (DOOH) communication ?

**Deloitte states in their 2007 report that traditional media (TV, print, radio, outdoor) is increasing with 2 % and shop-per marketing is increasing with 21% To compare, internet grows by 15% pr annum**

CatchTheEye experience 3 questions the retailer want to have answered before investing in DOOH :

1. How can the retailer document that this is an SMART\* investment
2. How to organize commercial operations?
3. How to make revenue on DOOH

When CatchTheEye defines goals for how to make money on DOOH , we are referring to screens in stores within a retail chain e.g. Tesco.

CatchTheEye Key Performance Index's (KPI) is proven knowledge about:

1. Screen placement i.e. Where and why and how many Screens in which format ?
2. Editorial content i.e. What is the distribution percentage between the chains own use , partner or supplier use , is it news or entertain-



**Touch Screen—Oxford Street London May 1<sup>st</sup>**

- ment ?
3. Broadcasting schedule i.e. Which customer and when are they in the shop, different customer Monday and Friday ?
  4. Creative solutions i.e. 10 seconds spot or 30 ?

### **Some important parameters which we have to clarify before we start:**

Do you want to:

- Increase sales volume
- Increase trying
- Increase repeat purchase
- Increasing loyalty
- Widening usage
- Creating interest
- Deflecting attention from price
- Gaining intermediary support

- Restoring brand perceptions
- New revenues in Joint marketing
- New revenues from advertising sales

Other, not measurable parameters is "feel and look" , shorter waiting time at register, better customer experience etc.

The main reason to investing in screen based communication is to create a better experience for the customer  
Many of the chains therefore chooses to start with an commercial angel , **and by that setting the customer in the centre !**

**"Screens shall enrich the shopping experience – not interfere"**

Year 1

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**FACTS**  
\*SMART: Specific | Measurable | Agreed | Reasonable | Time bound

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# DIWC<sup>1</sup>TI (acronym for) **Damn It We Can T.A.M. It !**

**DIWC<sup>1</sup>TI is a decision document made by CatchTheEye which describes the business opportunity for the retail chain when implementing screen in their stores and how to carry out the opportunity!**

CatchTheEye is using the IRR method (internal rate of return) which gives the retailer an indicator of the efficiency of such an investment!

CatchTheEye goes through the **DIWC<sup>1</sup>TI** process together with the retailer, and within 3 weeks they receive a drafted master plan including milestones to indicate answers to these questions such as:

- Cost and installation of the needed technical platform
- Operating costs technical solution
- Today's cost of carton production
- Today's cost of distribution and installation of cartons
- Today's cost of customer marketing which is going to be

replaced by screens (customer newspaper, flyers, etc)

- Cost of commercial operation
- Number of screens pr store
- Number of stores
- Number of spots pr campaign

### The Business opportunity

- Purchase or leasing of technical solution
- Today's income from purveyor, supplier
- Increased revenue from screens
- New/other revenues
- Savings by not to distribute and produce cartons
- Operating costs technical solution
- Cost of commercial operation

**The DIWC<sup>1</sup>TI matrix then gives the retailer a fair overview of how to launch**



Oxford Street—Foot Locker

### FACTS

The internal rate of return (IRR) is a capital budgeting metric used by firms to decide whether they should make investments. It is an indicator of the efficiency of an investment, as opposed to net present value (NPV), which indicates value or magnitude.  
<http://en.wikipedia.org/>



**...I'd love to have screen communication—but where should I start and what's the business opportunity?**

## A common standard for Digital Out of Home communication?

**Every branch sets its own standards and we do believe that the retail chains could be prosperous with discussing a set standard for screen based communication, mostly because doing this it will affect consumer behaviour and the consumer will have to adopt screen information in a new way.**

Potential issues regarding setting a branch standard:

**1.Placement and format of the screens** i.e. placement not over steered by gut feeling or "you can put it there";

**2. Technical solution** i.e. the chain makes choices giving large scale benefits reducing the cost of the commercial operations;

**3. Editorial content** i.e. different branches identify mutual consumers which opens for content reuse and cross branding;

**4. How to communicate with the consumer** i.e. having in mind that the consumer always is different within the hour, day , week seasons and year.