Integrating Digital Signage with Retail Software

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Summary

In today's technology-driven retail environment, traditional marketing methods are losing ground to more interactive and dynamic strategies. Most of your customers are now influenced by online shopping, where they can easily find personalized and efficient shopping experiences.
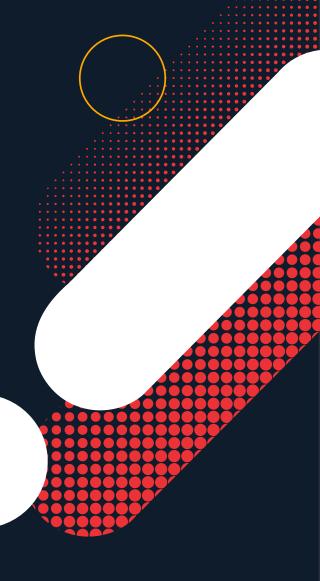
The missing key with eCommerce is a critical and strategic edge for physical stores: immersion. Integrating digital signage with retail software brings the advantages of online shopping into stores, while quite literally setting the stage for truly immersive shopping.

This fusion of signage and software doesn't just represent a merger of technology, but a harmonization of customer experience and operational efficiency. When you can deliver content to screens in alignment with unique shoppers, you can provide the highest level of service unbounded by scale.

But what does a retail business need to know before it can architect its own next-generation of stores? This article will dig into systems, capabilities and benefits, so you will walk away with some tangible ideas about what you can integrate, and why.

Topics

- Benefits of an Integrated Retail System
- Types of Retail Integrations and Use Cases
- Key Features of an Integrated Retail System
- How Retail Signage Can Keep Up with Evolving Customer Touchpoints
- The Key to Achieving Value with Integrated Retail Software

Benefits of an Integrated Retail System

Operational Efficiency

Digital signage is reshaping the retail environment, driving unparalleled efficiency. Gone are the days of manually unpacking, organizing and placing static or paper signs throughout the store.

With digital displays, messages can be pre-scheduled and automatically displayed, eliminating unnecessary manual tasks and reclaiming space previously occupied by multiple signs. A single screen can now showcase a rotating playlist of various messages, allowing retailers to optimize floor space for more product displays.

Integration with POS (Point Of Sale) and Inventory Management systems amplifies these efficiencies. Real-time content updates become a reality; if stock dwindles, the signage can automatically show an 'out of stock' alert or recommend a replacement. Dynamic pricing is another significant advantage, enabling instantaneous price updates for promotions or discounts directly from the POS.

- Eliminate labeling and manual ad placement
- Synchronize inventory with signage
- Allow employees to focus on customers

Data Management

Ads are less effective when they drive out-of-stock products. Integrating Inventory Management software with digital signage can ensure that mistakes like this are not made. A bit more nuance and integration with Point of Sale Systems can bring even more benefits to inventory management, such as real-time pricing, automated clearance and inventory rotation to streamline operations.

Central Systems Management

When businesses have already integrated many key systems into an Enterprise Resource Planning (ERP) Solution, integrating with digital signage is made that much easier. With all data available via a single API, digital signage professionals can leverage a unified dataset with a single source of truth to build any/all of the above.

Customer Experience

We like to offer crawl, walk run strategies that help businesses grow their digital signage and see value at each stage of the process. We might start with a simple, beautiful retail digital signage solution.

But adding more integrations can create a Star Trek level store. CRM, sensors and Point of Sale integrations unlock an almost concierge- like experience where signage can display exclusive member deals in the aisle and then connect that offer seamlessly to the sale.

- Deliver personalized shopping experiences
- Inspire the "wow"
- Integrate digital and in-store sales channels

Profitability and Loyalty

" Customers who visit us in store as well as online spend on average three times as much as our single-channel customers. So, in fact, we've seen the best of both worlds, the in-store world and the online world. "

-Donald McDonald, Managing Director, Brown Thomas ("Global Powers of Retailing 2023, Deloitte)

Many retailers feared that omnichannel might be a trend that came and went with a global pandemic. But retailers who get omnichannel right report the ability to stay sticky with their best customers.

Utilizing an omnichannel approach to the store (website and online) and loyalty points and offers are the four cylinders of the modern retail 'engine,' allowing businesses to connect with the customer along other avenues such as digital media/content, finance offers etc.

In addition to streamlining omnichannel, digital signage can drive more specialized strategies on the store level. Promoting complementary or seasonal products, for instance.

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Types of Retail Integrations and Use Cases

Now that you've seen some of the ways that multiple integrations can drive business strategies, let's get into the nuts and bolts of single systems integrations and what opportunities they might unlock on their own.

Point of Sale Systems

Point of Sale (POS) systems stand as the nerve center of many retail operations, processing transactions, managing inventory and recording customer data. When integrated with digital signage, POS systems can supercharge the retail environment, offering real-time communication and enhanced customer engagement.

For instance, integrating POS with digital signage can allow for immediate updates on product promotions, discounts, or stock levels directly on digital displays. If a product is flying off the shelves, the signage can adapt to highlight its popularity — adding that extra scarcity impulse for buying.

Inventory management

When synergized with digital signage, Inventory Management Systems (IMS) take on a more visible, customer-centric dimension. For example, as product availability fluctuates, digital signs can reflect these changes in real-time, alerting shoppers to limited stock or heralding the arrival of new items.

Inventory management + POS unlocks even more exciting possibilities, such as the ability to push items that are overstocked through special promotions and deploy the new price to customers immediately.

Moreover, in a scenario where a sought-after product is unavailable, digital signage can seamlessly promote similar or complementary products, guiding the customer's buying journey.

Customer Relationship Management (CRM)

CRM systems can host a vast array of data, encompassing customer demographics, purchase histories, preferences — even behavioral patterns. When integrated with in-store digital signage, retailers can deliver targeted content in real-time. Imagine walking into a store and having the digital displays showcase products that align with your past purchases or preferences, perhaps even offering special discounts tailored just for you. These approaches enhance the shopping journey while boosting sales and loyalty.

Furthermore, the analytics from CRM can aid retailers in gauging the effectiveness of their signage content, enabling data-driven adjustments for optimizing customer engagement. Not all CRMs are equal in terms of the data that they contain, but together, CRM and digital signage have the potential to transform the efficacy of stores.

In-Store Sensors

Less a trend and increasingly a necessity, in-store sensors provide two main advantages for digital signage. First, they can provide detailed feedback on the performance of signage content. Are customers viewing the content? Does their behavior align with the content strategy? If we replace the content with a different ad, do we see better results? With sensors we can receive a full picture of the signage's impact.

Secondly, we can use sensors to create responsive content that adapts to user location. When done tastefully, screens become "smart;" they deliver content in the perfect font, start at the right time; they allow for the precise recreation of that Creative Vision for each customer.

QR, Website

Though studies have been inconsistent in the way that they measure QR code usage, they all agree on two key facts: Usage accelerated during that pandemic and continued to rise through the end of 2022. And if this is true for stores like Target, where QR codes are as static as the price tags, then imagine how much more you could accomplish with dynamic codes delivered via digital signage.

Many retailers use QR codes to evolve their omnichannel capabilities, allowing customers to explore new deals and promotions, or see featured content that is relevant to that area of the store. Are you collaborating with an influencer this month? Invite your customers to engage with that content via a QR code and let the influencer make the sale.

Key Features of an Integrated Retail System

When designing a digital signage system to perform with data integration, you want to aim for a few high level goals.

Compatibility

You want to choose a [digital signage cms that supports dynamic data](#). This often means modular content, where the screen can be designed with static parts and where the image or text will be determined by real time data. Many integrations require the ability to flow different text based on data, such as pricing updates. Even better if images can be combined to create attractive bundles on the fly. Ask your digital signage partner detailed questions about their CMS' capabilities and how they might apply rules, conditions or triggers to achieve your target objectives.

Cloud vs on prem: Why not both?

Hybrid cloud is particularly important when discussing data integration. Certainly at least some of the digital signage should be cloud-based; however, hybrid cloud can perform better than Cloud-only for a few reasons.

- Hybrid cloud ensures continuity of service.
- High-res images are located on premise and load laglessly, unlocking eye-popping visuals.
- Bottom line: When your signage is your best salesperson, you want it reliable, redundant and seamless. Hybrid cloud is the best way to accomplish this by ensuring that connectivity speeds are a non-issue.

Customer support and loyalty programs

One of the most significant advantages of an integrated retail system is its ability to enhance customer loyalty initiatives. With digital signage tied into CRM systems, you can:

- Promote personalized offers
- Highlight loyalty rewards
- Deploy targeted campaigns

When a regular shopper enters a store, the system could showcase exclusive deals, member-only discounts, or even thank them for their loyalty with a special message. This symbiotic relationship between digital signage and CRM nurtures customer relationships, engenders brand loyalty and incentivizes repeat business.

Analytics

Whether you plan on deploying sensors or CRM, you want to at least address the question of analytics. This starts with a great content strategy because the strategy will determine the metrics you want to measure. Asking the scanlytics question sets your digital signage up for greater focus, which helps way before you measure your first signage-driven sale. But then once executed, analytics gives you a systematic way to improve content, track ROI and ultimately make incremental choices to boost the impact.

How Retail Signage Can Keep Up with Evolving Customer Touchpoints

As the retail landscape evolves, so do the ways customers interact with brands. We can expect trendlines to change — perhaps even more dramatically in the future than they have in the past five years.

The rate of change makes in-store digital signage fundamental to performance. During the pandemic, we saw quick service restaurants with digital signage outperform their peers because they could easily pivot content to health concerns that put their customers at ease.
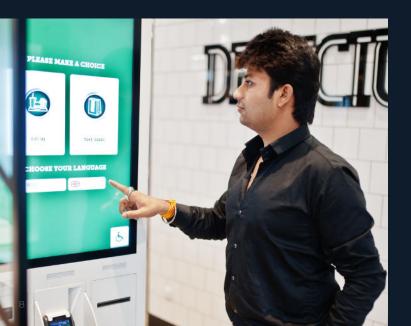
Here are a few examples of recent touchpoints that digital signage supports with agility and real-time data.
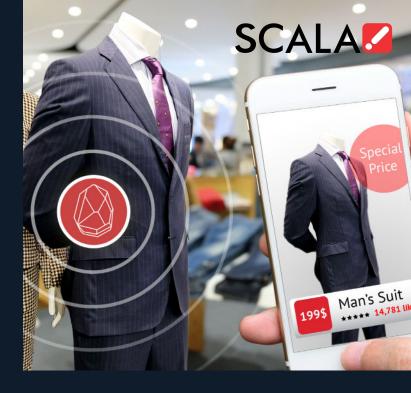
Omnichannel Integration

Customers no longer follow a linear path to purchase. Retail signage should, therefore, integrate seamlessly with web platforms. Signage can display QR codes that lead to online stores, or showcase user-generated content from social media, providing a unified shopping experience across all channels.

Interactive Experiences

Today's customers are accustomed to interactive and immersive experiences Incorporating touch-enabled screens, augmented reality (AR) experiences, or even voice-assisted interactions can make retail signage a dynamic touchpoint.

Real-time Personalization

With the availability of data analytics and generative AI, signage can now offer real-time personalization. Sensors or facial recognition technology can read demographic data like age or gender and tailor content accordingly. Moreover, integration with CRM systems can display targeted offers to loyalty program members as they walk into the store.

Sustainability and Social Responsibility

Modern consumers are increasingly conscious of sustainability and corporate responsibility. Retail signage can highlight a brand's current green initiatives, charitable contributions, or fair-trade practices.

Marketers know that relevance and timeliness equates to customer trust. It's the difference between a statement "We support X charity" and a video showing how the CEO cutting a large check. Good digital content proves itself.

Feedback Loops and Adaptability

Finally, retail signage should be adaptable. Integrating feedback mechanisms, like sensors, CRM data, or even quick surveys or sentiment analysis tools, allows brands to gauge content effectiveness. Signage content can then be adjusted based on this feedback, ensuring it remains relevant to changing customer needs and preferences.

The Key to Achieving Value with Integrated Retail Software

Leading in the digital signage space requires a close coordination of hardware, software and services. There is significant value in working with one trusted partner, rather than stringing together a complex, diffuse vendor ecosystem.

Scala hosts these key capabilities under one roof, ensuring we deliver a functional and beautiful solution to our clients.

Consulting

Scala operates as a trusted partner who takes a real stake in outcomes. We do our due diligence to either confirm or deny that our client's assumptions and direction will work in the most effective way to achieve the project objective. When useful, we present alternate approaches, solutions or pathways.

The end result is often a stronger solution, one that merges the client's business experience with our understanding of digital signage solutions.

Cross Industry Experience

You want a partner with experience in multiple industries, who has the visibility and creative resources to connect trends and build pragmatic, bespoke solutions that surprise, delight and improve life for both customers and staff.

We hope that by providing a stepwise process for integrating your systems with digital signage, we can help you take your business one step further on that journey.

About Scala

Scala solutions deliver engaging retail experiences by connecting networks of digital signs, kiosks, mobile devices, websites and Internet-connected devices. Scala, a STRATACACHE company, provides the platform for marketers, retailers and innovators to easily create and centrally manage deployment of shopping experiences while retaining the flexibility to rapidly adapt to local business conditions and preferences of customers in the store. With 30 years' experience, Scala is well-known for its innovation and leveraging best-of-breed technologies to create solutions that are easy-to-use, yet infinitely customizable.
Scala has US-based headquarters near Philadelphia, PA and EMEA headquarters in the Netherlands, and has offices in 28 countries, clients in over 100 countries and support for 20+ languages in the platform.

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