Spain
Portugal
September | October 2014

DBCI

Digital Signage & DooH Business Climate Index

The pulse of the Digital Signage and DooH industry

invidis research
2014 ES 500

DBCI - Introduction

- The OVAB Europe **D**igital Signage **B**usiness **C**limate **I**ndex (DBCI) is the leading European indicator of the economic development of the Digital Signage and Digital-out-of-Home industry
- It is compiled every two months by invidis consulting in cooperation with OVAB Europe
- Questions:
  - Current business situation: “good”, “satisfactory” or “poor”
  - Expectations for the next six months: “more favourable”, “unchanged” or “more unfavourable”
- **Spain & Portugal** – second poll September/October 2014:
  - Spain and Portugal is the 9th largest market in Europe for Digital Signage (in units of public displays)
  - DBCI Spain: **39,97** base points
  - **80,0%** have a **positive outlook** for their business within the next six months
  - **Only 15,0%** rate their current business situation as **negative**

Digital Signage industry with consistent good outlook

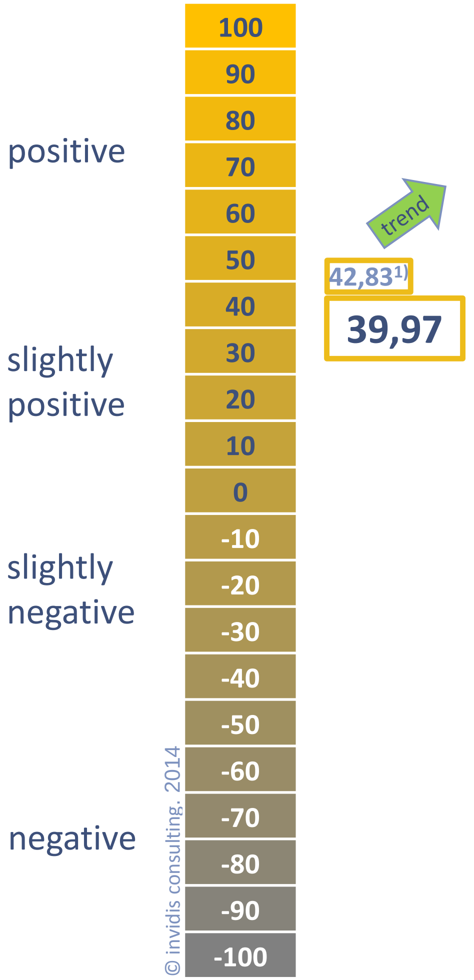


Fig. 1: DBCI ES/PT September | October 2014, n=20

1) DBCI ES/PT July | August 2014

2) Source: Zenithmedia

- The Digital Signage Business Climate Index Spain & Portugal has been polled for the second time in 2014. The index has remained constant on a positive level with a slight decline of 2,86 base points to stand at 39,97 base points
- The positive trend of the DBCI reflects the positive business sentiment of the Digital Signage industry in Spain and Portugal. The market participants show a high satisfaction with the current business situation and a very positive expectations for the next six months
- After accelerating growth in the general economy, many customers have now started to invest in Digital Signage solutions
- Several big projects have surpassed the pilot phase with 15 to 20 displays and will start the main roll out with up to 500 displays in the near future
- In the Digital-out-of-Home sector the big advertising companies like Clear Channel and JCDecaux have been constantly investing in their digital portfolio, as revenues are expected to grow by 9% in 2014[2)]

Survey facts
- Participants: n=20
- Region: Spain & Portugal
- Time frame: 2014 calendar weeks 37 & 38

High satisfaction with the current business situation

Question: How do you rate the current business situation for your products / services in the field of Digital Signage?

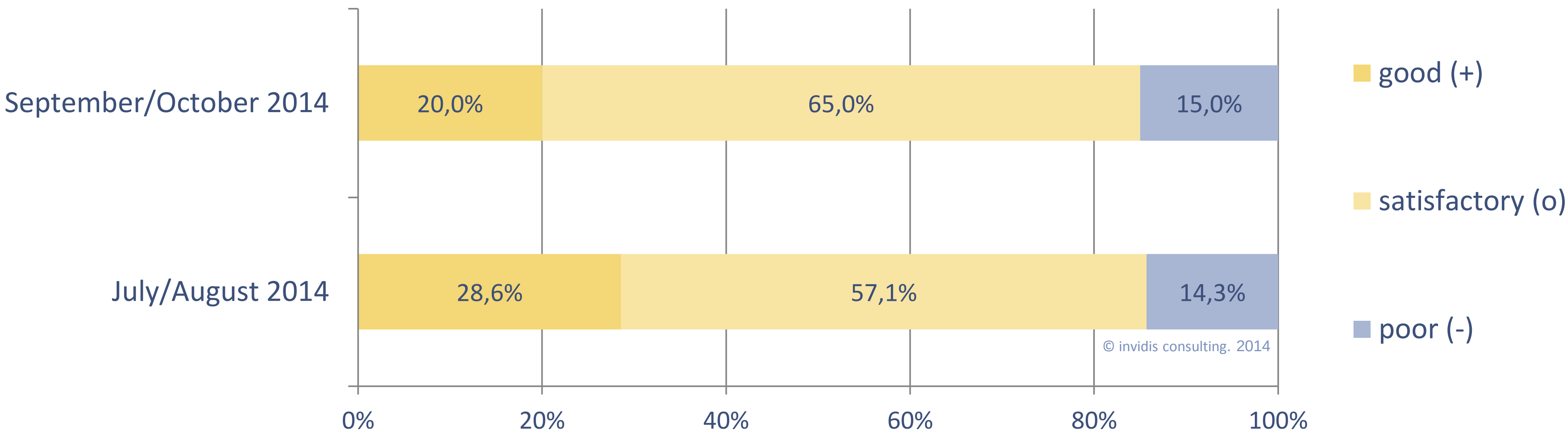


Fig. 2: DBCI ES/PT September | October 2014"business situation", n=20

Rising expectations for the next six months

Question: What are your expectations for the next six months?

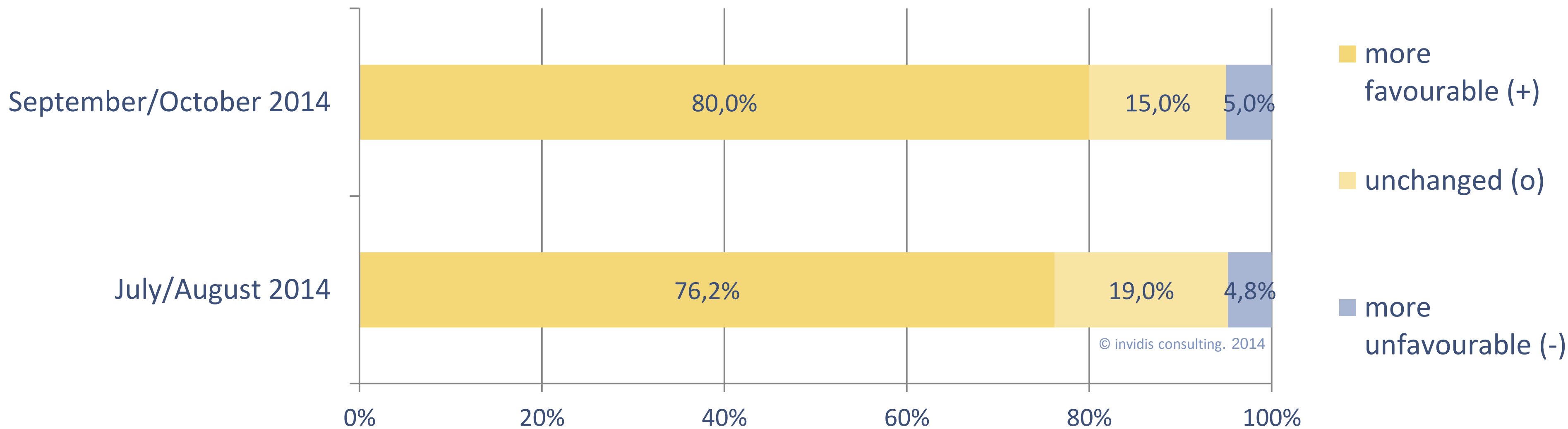


Fig. 3: DBCI ES/PT September | October 2014"business expectations", n=20

Europe | Positive business sentiment dominates in all markets

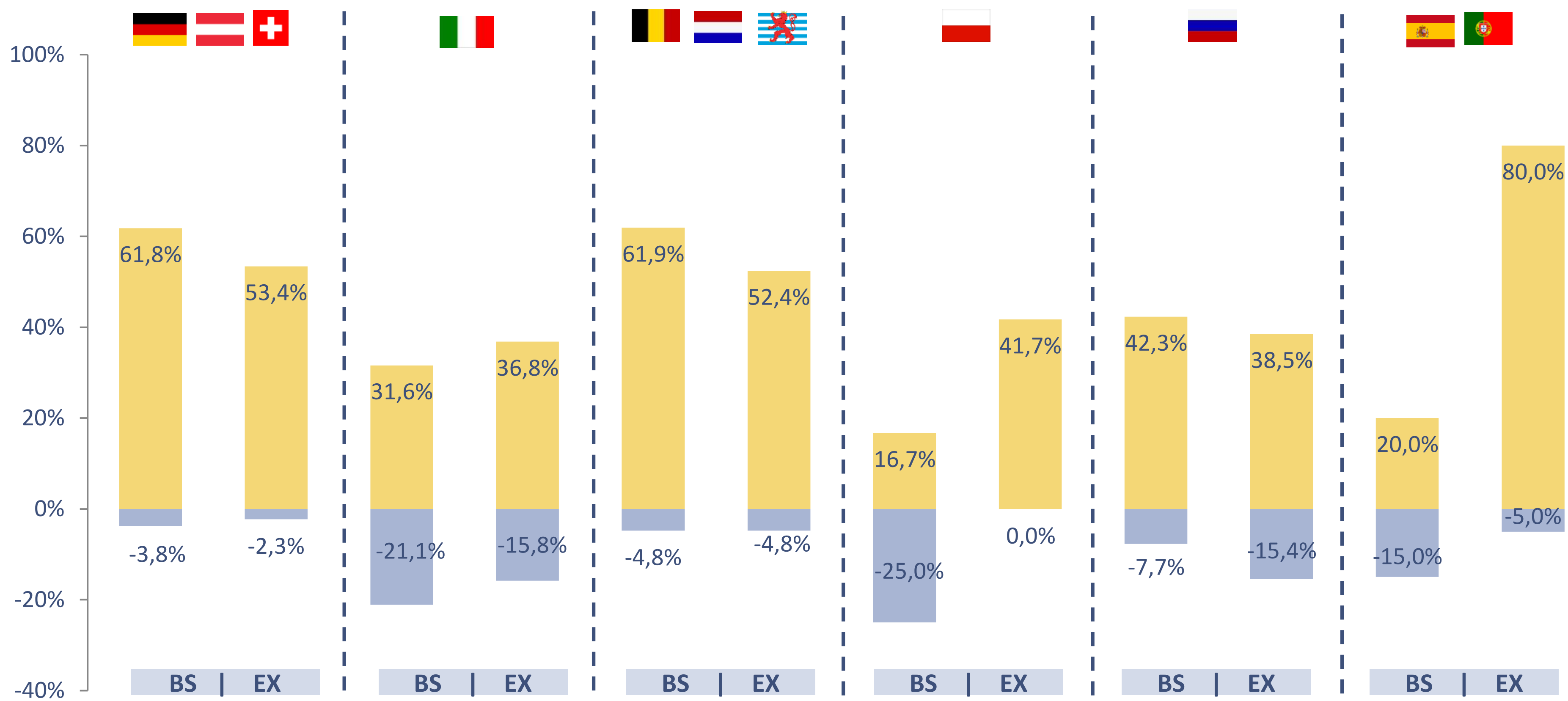


Fig. 4: DBCI ES/PT September | October 2014 „Business Situation and Expectations Europe“
**) BS: Business Situation; EX: Expectations*

Further research| First semester 2014 with considerably higher revenues than 2013

"The revenues in the first half year 2014 have … in comparison to the revenues of the same period in the previous year."

63,3% of all polled companies could generate in parts a clear increase in revenues in the first half year term in 2014 compared to the same period in the previous year

Only 21,1% of all polled companies had to accept a decrease in revenues compared to the previous year

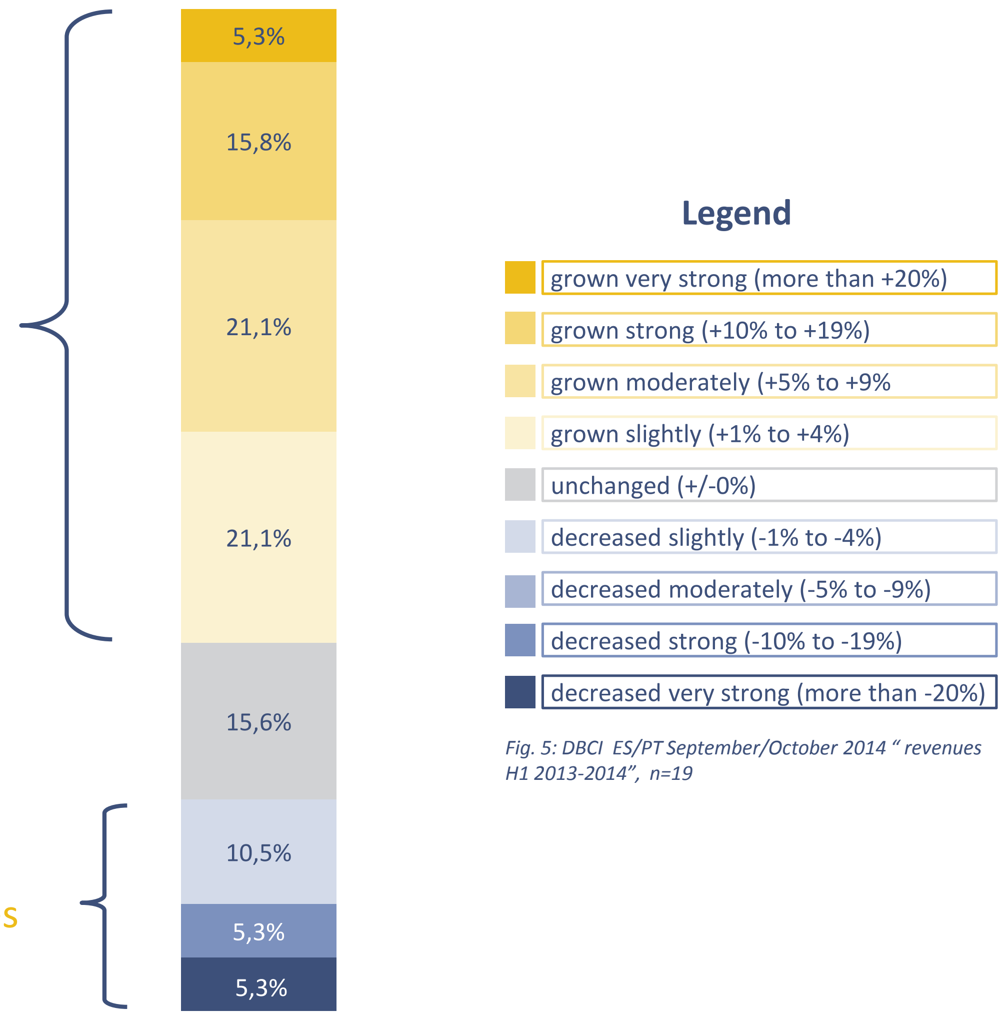


Fig. 5: DBCI ES/PT September/October 2014 " revenues H1 2013-2014", n=19

Further research | Clear increase in revenues expected for the full year 2014

"The revenues in 2014 will … compared to the revenues in 2013."

89,5% of all polled companies are expecting a healthy growth in revenues for the year 2014 compared with the previous year

Only 5,2% of all polled companies expect a decrease in revenues compared to the pervious year

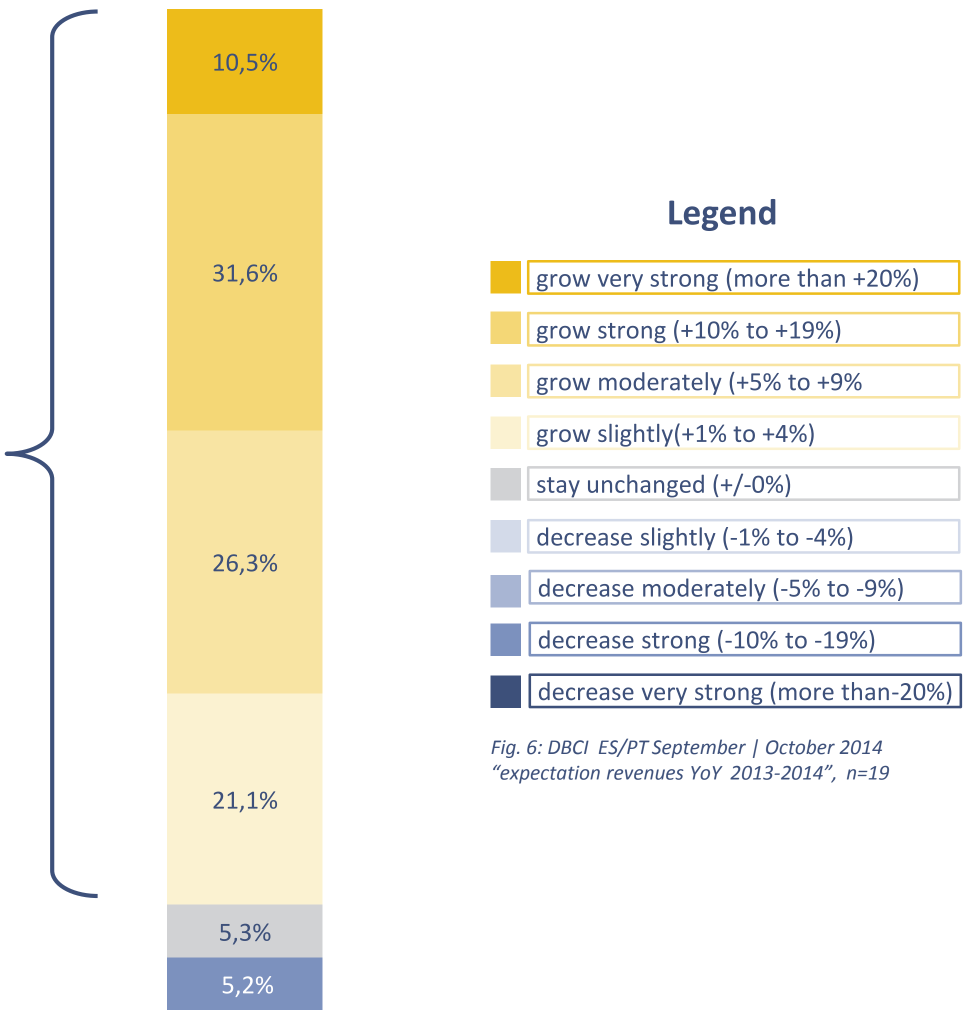
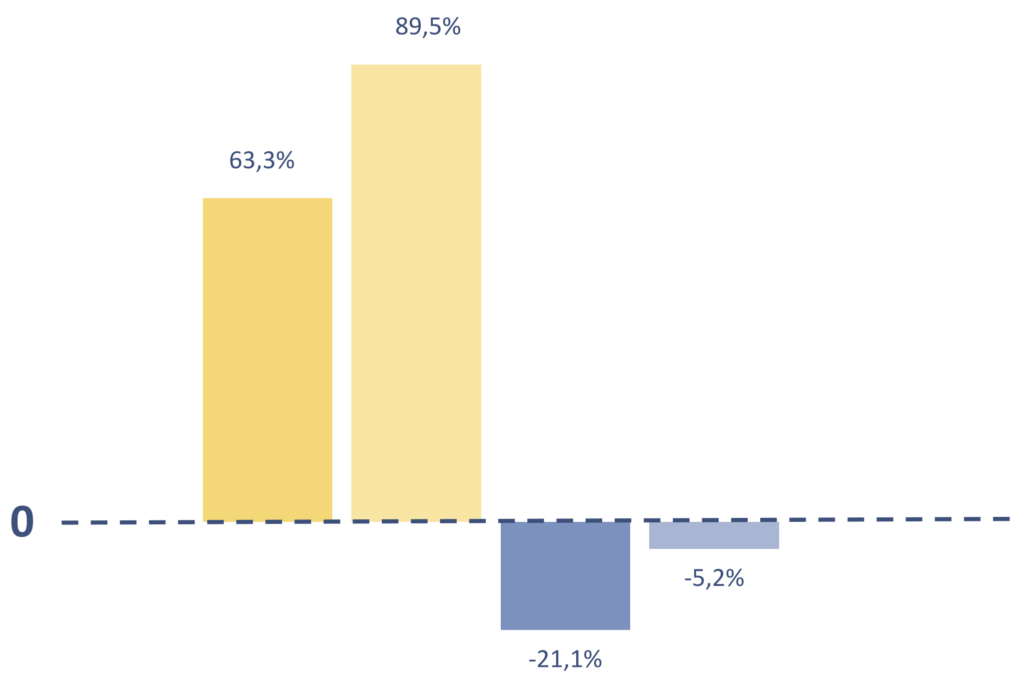


Fig. 6: DBCI ES/PT September | October 2014 "expectation revenues YoY 2013-2014", n=19

Further research | H1 losses expected to be contained in H2



Percentage of polled companies which have registered a growth respectively a decline in revenues in H1 2014, compared to the same period in the previous year

- YoY H1 2013-2014 growth
- YoY 2013-2014 growth expected
- YoY H1 2013-2014 decrease
- YoY 2013-2014 decrease expected

Fig. 7: DBCI ES/PT September/October 2014 "revenues YoY H1 2013-2014 and YoY 2013-2014", n=19

- Almost 90% of the polled companies in Spain & Portugal expect to have a growth in revenues in 2014 compared to 2013
- Still 21% of all polled companies had to accept a decline in revenues in the first six months of 2014. However many of those companies are expecting to have balance the losses at the end of the year
- Traditionally the IT business has a relative calm period in the summer, followed by a strong showing towards the end of the year

Further research | Growth in H1 revenues and full year expected revenues in Europe

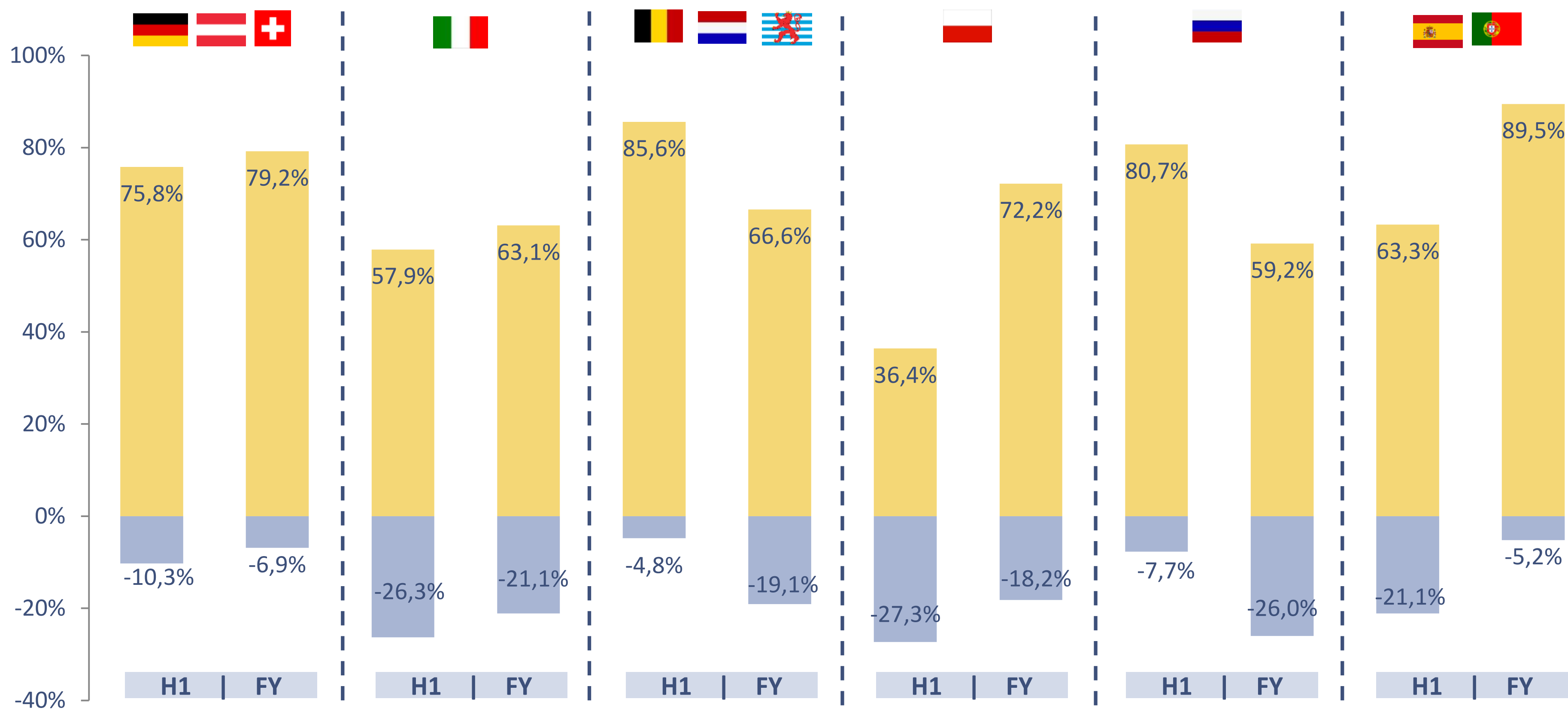


Fig. 8: DBCI September | October 2014 „Revenues H1 & FY Europe"
**) H1: First semester/half year period; FY: Full year*

Roadmap 2014 & Contact

2014
January
February
March
April
Mai
Jun
July
August
September
October
November
December

Nov./Dec. | 24.11.

- The next survey will take place in calendar weeks 45 & 46 of 2014.
- The next planned publication date will be the 24th November 2014.
- The DBCI is polled by invidis consulting and published in cooperation with OVAB Europe.
- If you are not yet part of the DBCI survey please contact us for further information.
- The DBCI will be extended to other markets in 2014. For further information please contact Daniel Russell.

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