Germany
Austria
Switzerland
July | August 2015

DBCI

The pulse of the Digital Signage and DooH industry

OVAB Digital Signage & DooH Business Climate Index

OVAB cooperation partner Switzerland:

IGDOOH

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2015 DE 400 en

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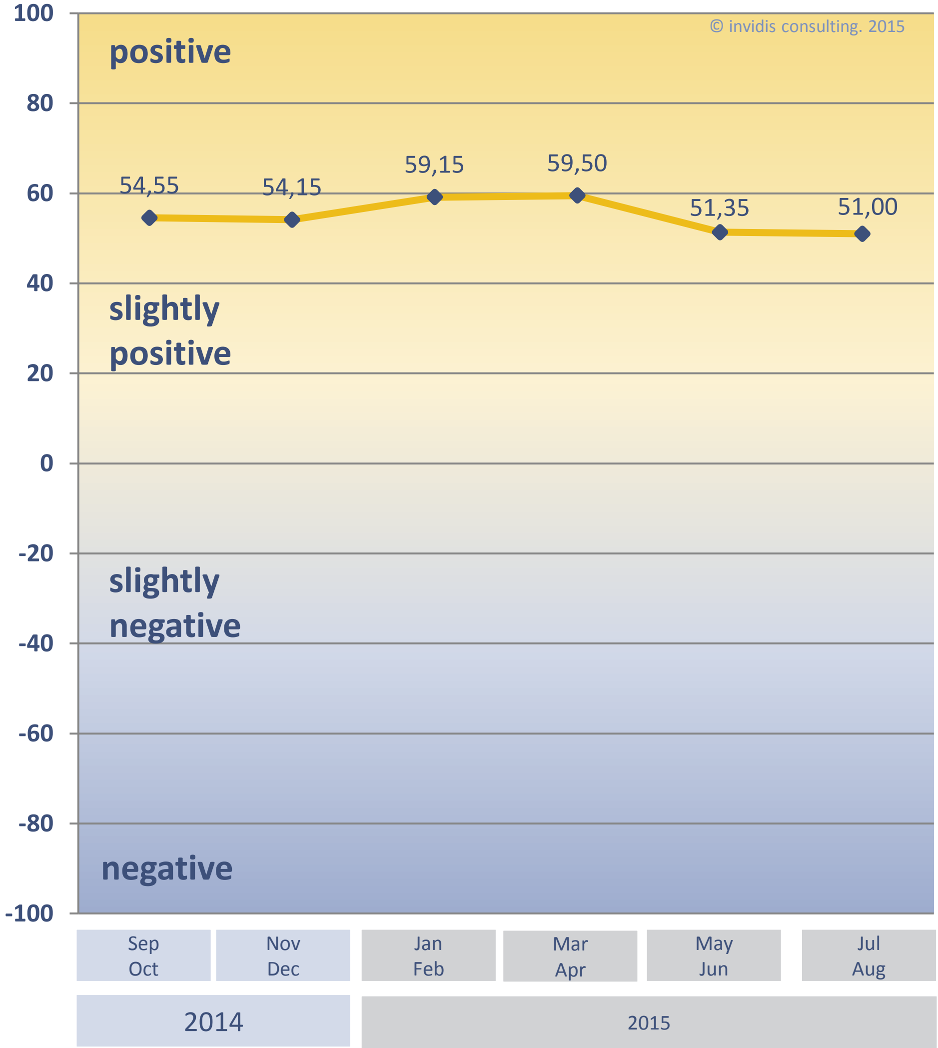


Fig. 1: DBCI July | August 2015 „Index DE-AT-CH“ rolling 12 months, n=99

- Since the last survey in May 2015 the Digital Signage Business Climate Index has declined by a fraction with a change of minus 0,35 base points from 51,35 base points to reach 51,00 base points
- The current business situation has increased by 2%. While the optimism towards the near future saw a slight dip by 8%.
- In general the Digital Signage market in the German speaking region has reached a mature level. Most established companies have settled in with a consistent growth in business. However exponential growth like in 2013 seems to be out of the picture for now.

Further Research

- In 2014 approximately only 10% of all Digital Signage solutions or DooH campaigns were realized with the integration of mobile devices
- Within the next two years the market participants see the current situation changing. The market share of Digital Signage solutions or DooH campaigns using mobile integration will grow to on average 10% to 20%.

Participants: n=99; Region: DE/AT/CH; Survey Period: 2015 calendar weeks 27-28

DE-AT-CH | Current business situation up, outlook more conservative

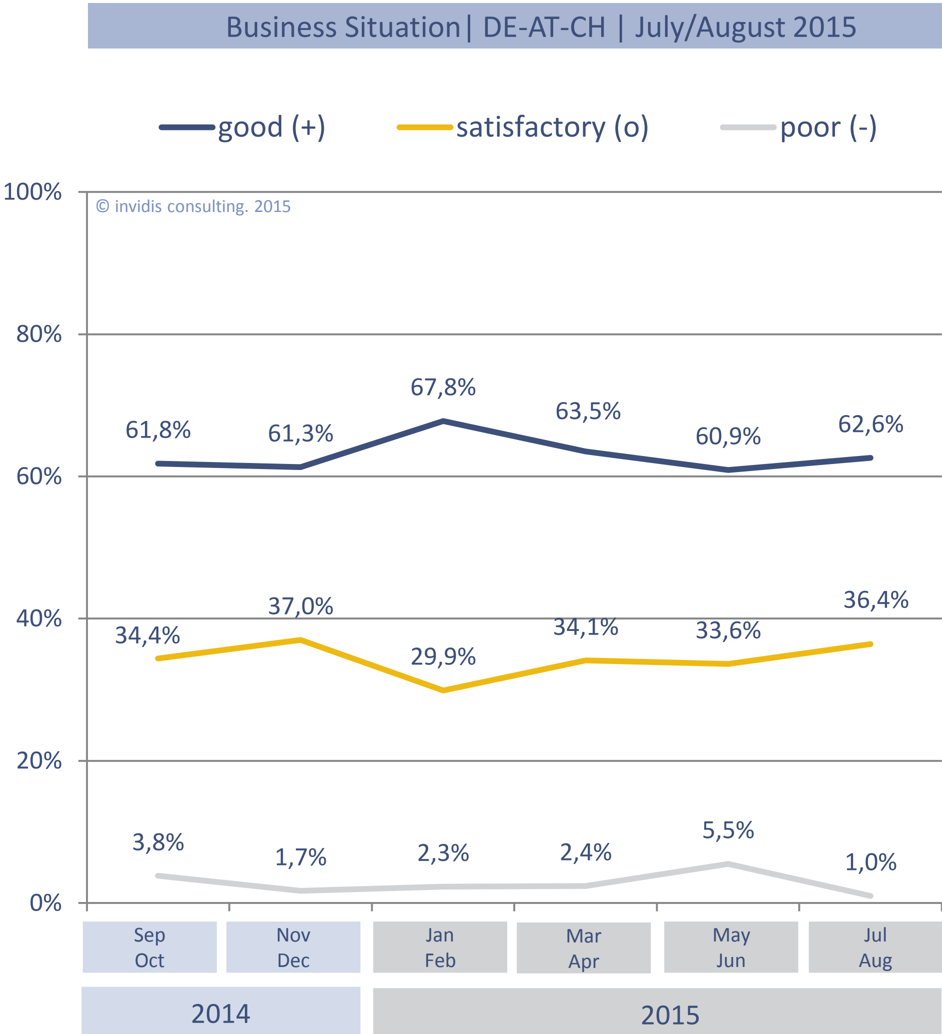


Fig. 2: DBCI July | August 2015 „Business Situation DE-AT-CH" rolling 12 months, n=99

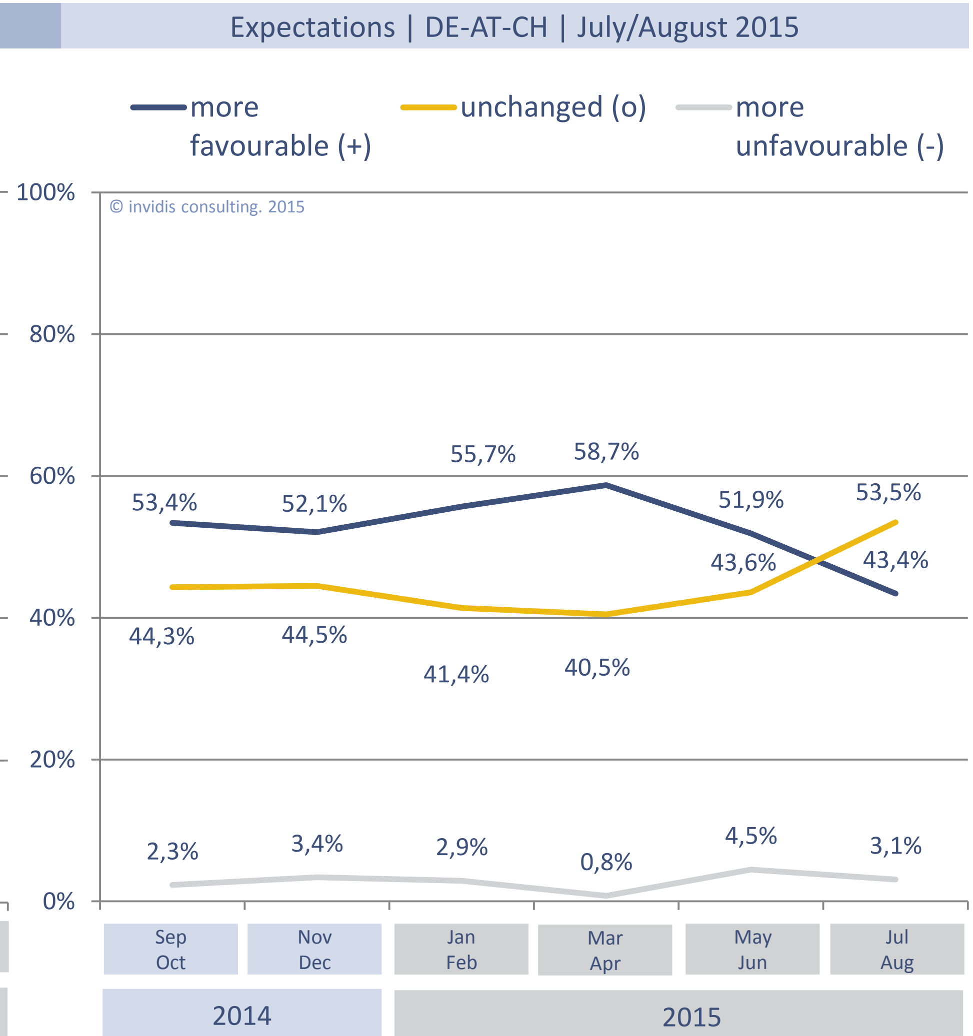


Fig. 3: DBCI July | August 2015 „Expectations DE-AT-CH" rolling 12 months, n=99

DE-AT-CH | Negative answers decrease for business situation and outlook

Fig. 4: DBCI July | August 2015 „Business Sentiment DE-AT-CH" rolling 12 months, n=99

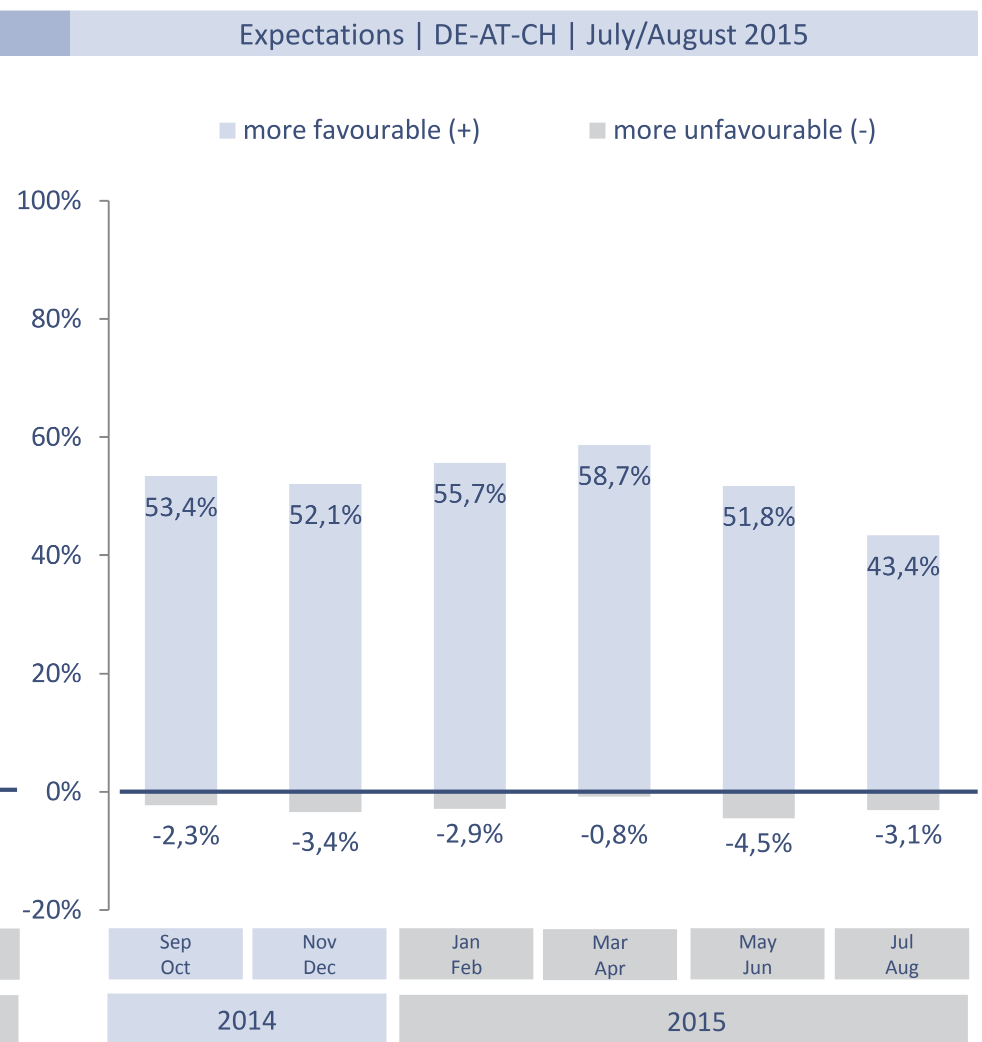


Fig. 5: DBCI July | August 2015 „Expectations DE-AT-CH" rolling 12 months, n=99

Countries | Business sentiment with cautious trend in Austria and Switzerland

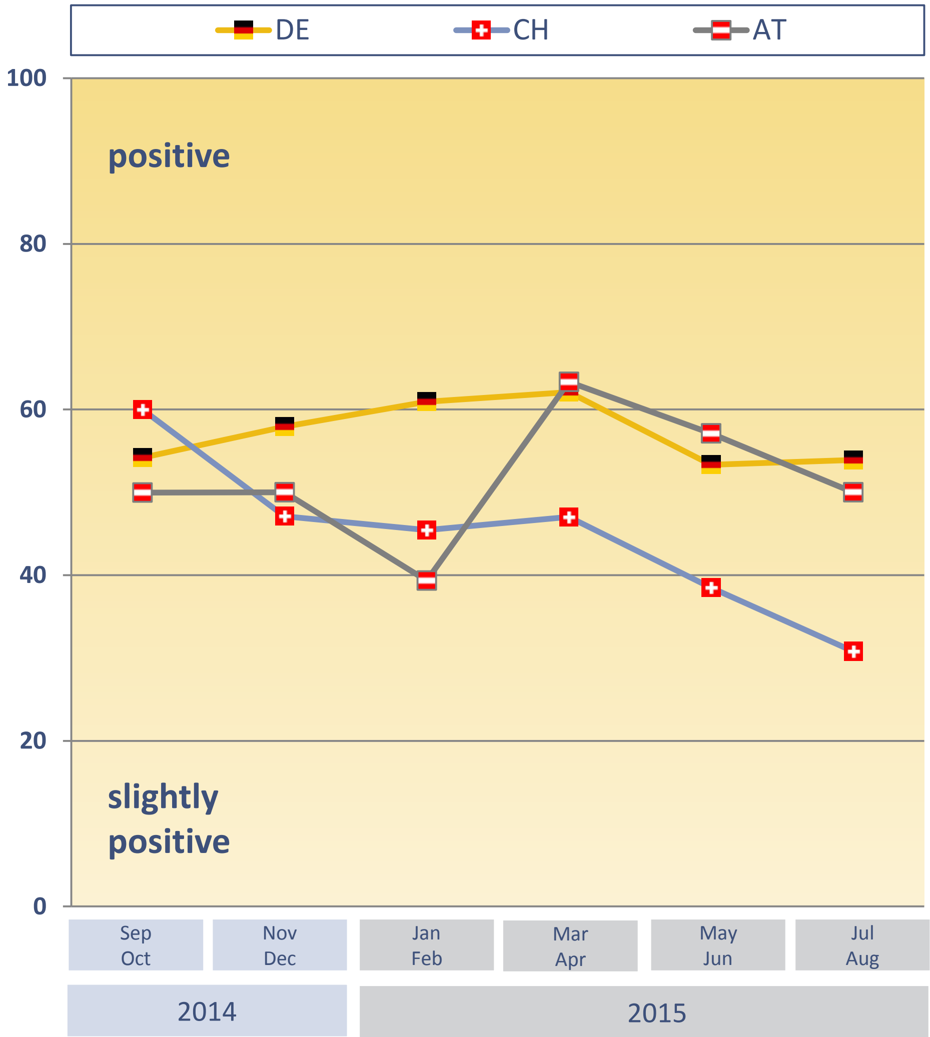


Fig. 6: DBCI July | August 2015 „Index DE-AT-CH" rolling 12 months, DE 77, CH 13, AT 9

- Since the last survey the business climate in the German Digital Signage market has increased slightly. The confidence in the current business situation registered a small growth while the outlook for the next six months has seen a decline of the "more favourable" expectations by roughly 8%. With a consistent and recurring cash-cow business from the small and medium business sector and satisfactory amount of large scale tenders, the general good sentiment in the German market remains high. However, since the start of 2013 the market growth has lost its momentum and the dynamic has settled for a high single digit year-on-year growth expectation.
- In Switzerland the business climate in the Digital Signage market has decreased. The strong Swiss Frank is still hindering the economic growth. Now the long term effects like the price-gap between the foreign and domestic market, or the rising international competition have gradually taken hold. Therefore, next to the traditional difficulties in the Swiss IT industry, namely the shortage of skilled labour and declining gross-margins, the Swiss market participants are now facing many challenges.
- Like in Switzerland, in Austria the business climate in the Digital Signage market has decreased in July. Since 2012 the country has reported the lowest economic growth of all OECD countries. However, the market participants rated the current business situation more positively as in May. Still the conservative sentiment for the six-month outlook has sharply increased.

Germany | Business situation & outlook slightly more conservative

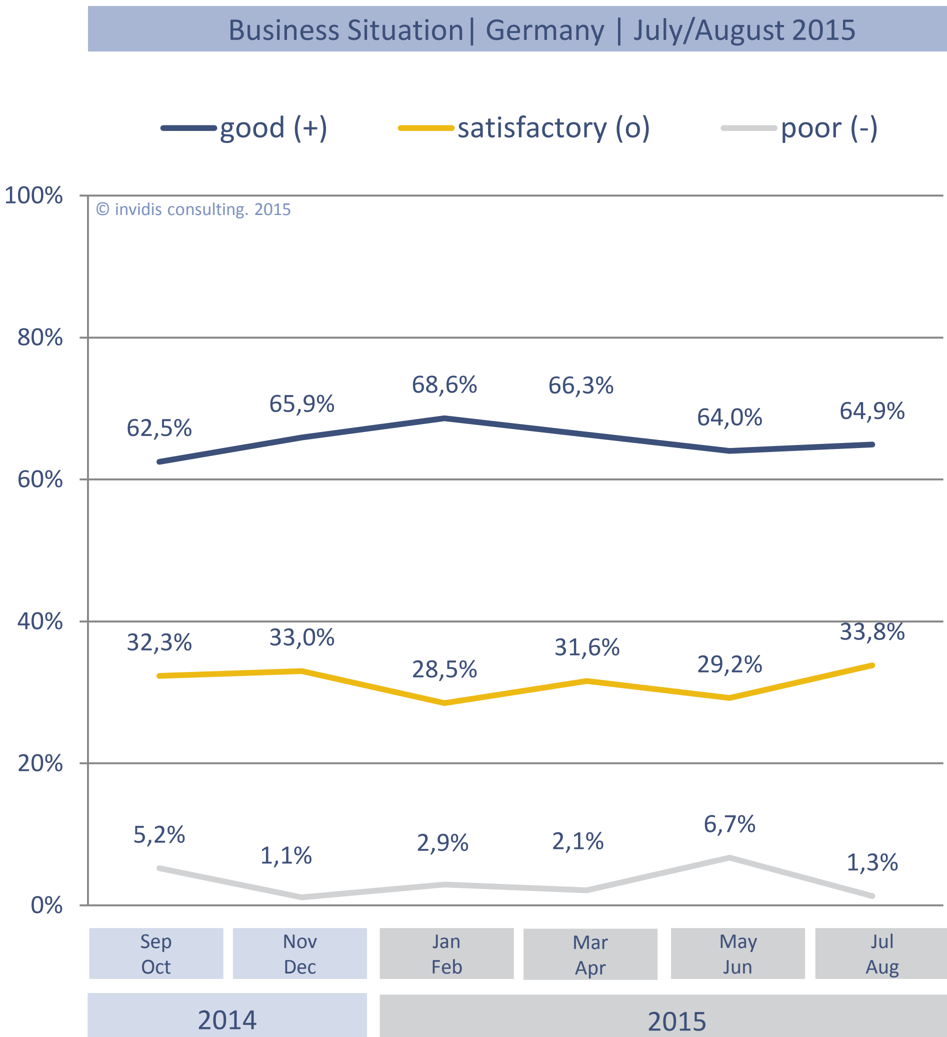


Fig. 7: DBCI July | August 2015 „Business Situation Germany" rolling 12 months, n=77

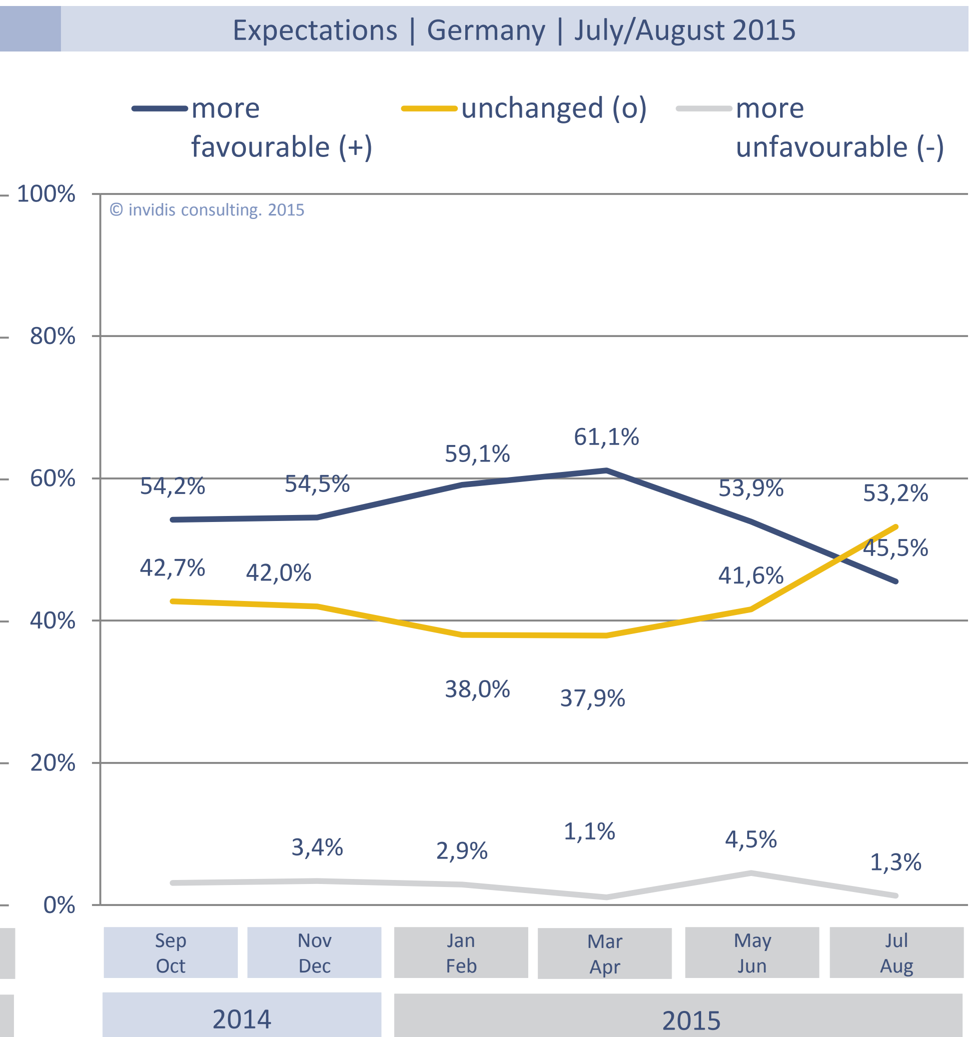


Fig. 8: DBCI July | August 2015 „Expectations Germany" rolling 12 months, n=77

Austria | Increased positive business situation & more conservative outlook

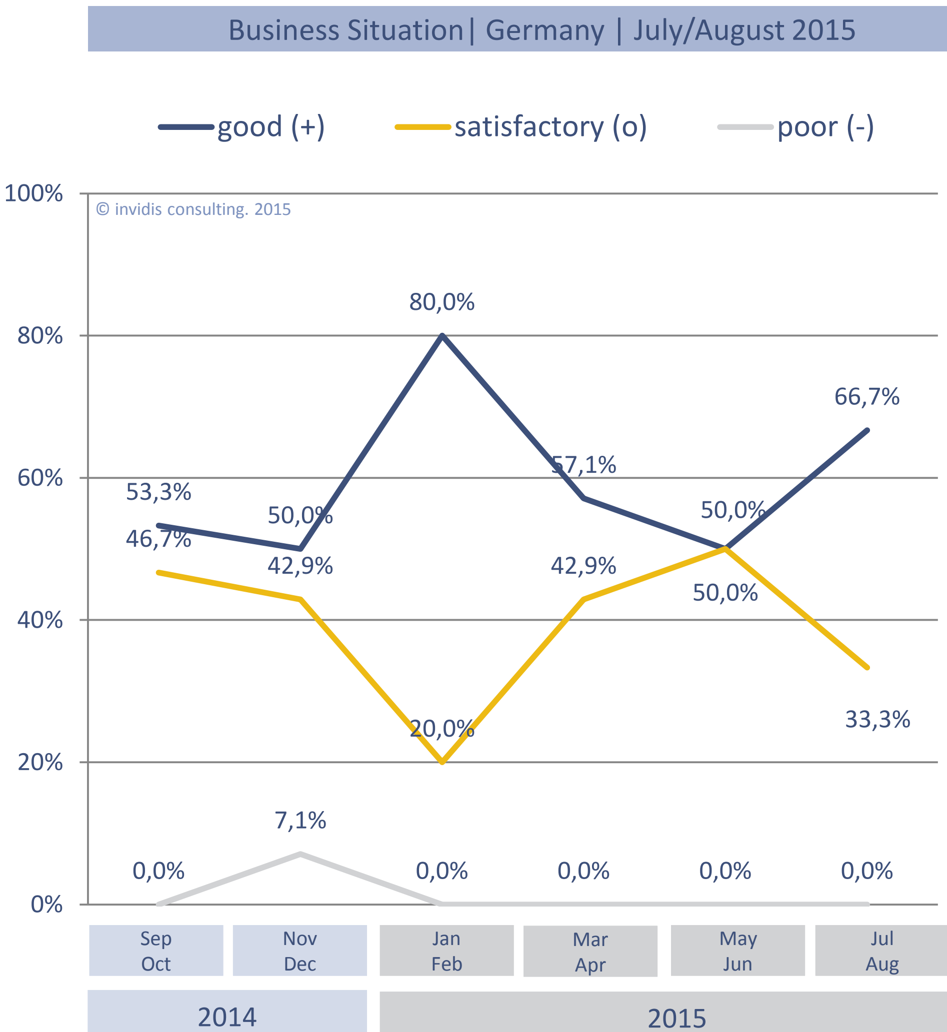


Fig. 9: DBCI July | August 2015 „Business Situation Austria" rolling 12 months, n=9

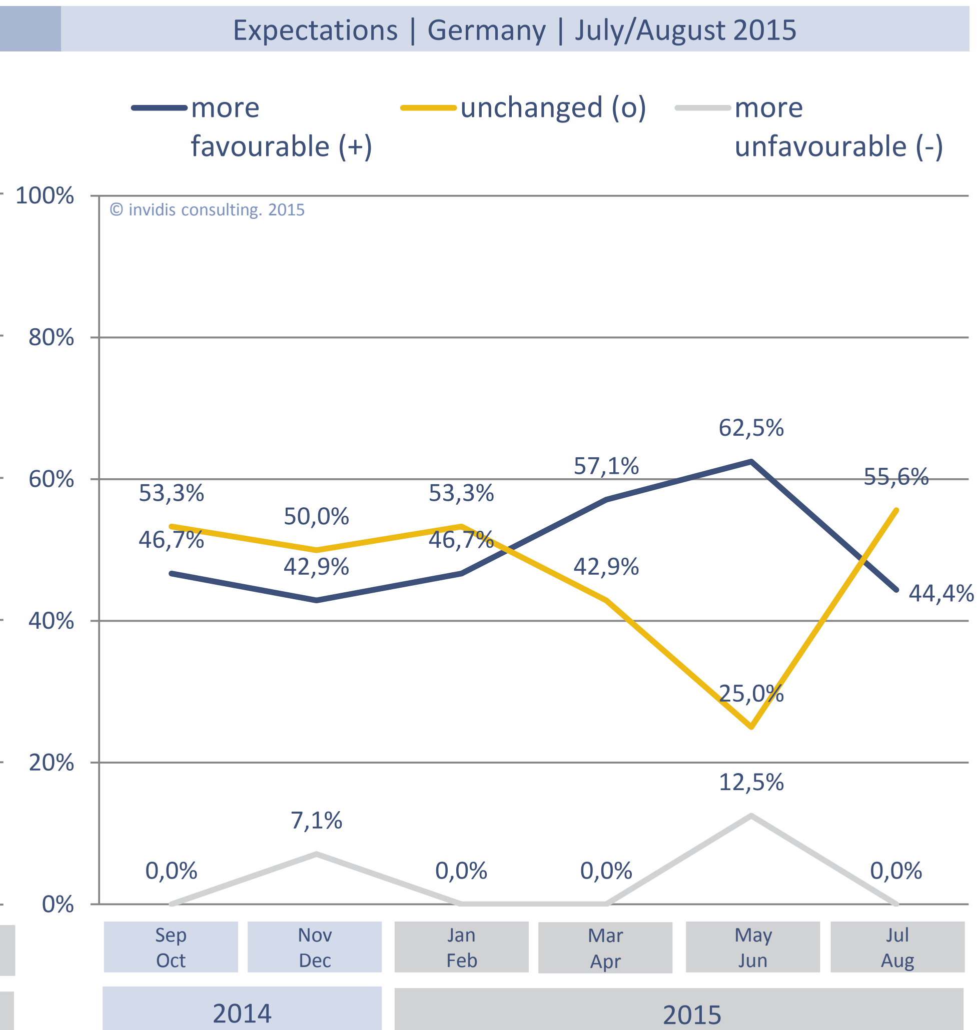


Fig. 10: DBCI July | August 2015 „Expectations Austria" rolling 12 months, n=9

Switzerland | Unchanged good business situation & volatile outlook

Business Situation | Switzerland | July/August 2015

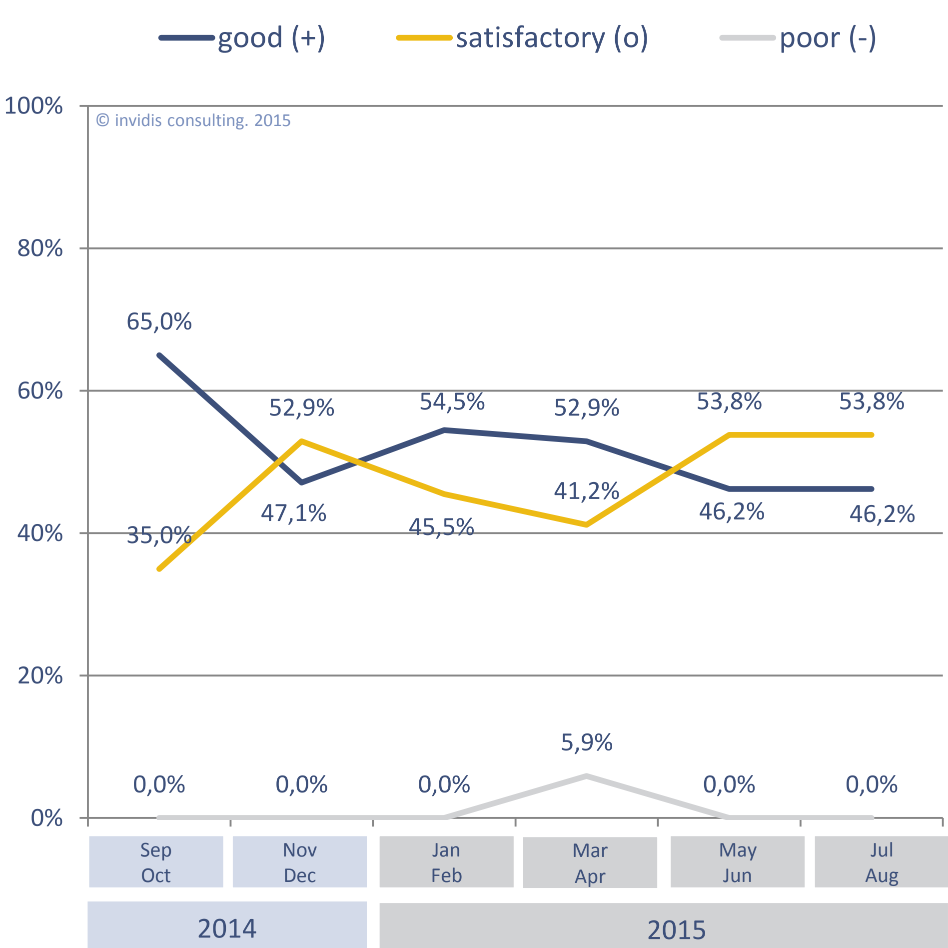


Fig. 11: DBCI July | August 2015 „Business Situation Switzerland" rolling 12 months, n=13

Expectations | Switzerland | July/August 2015

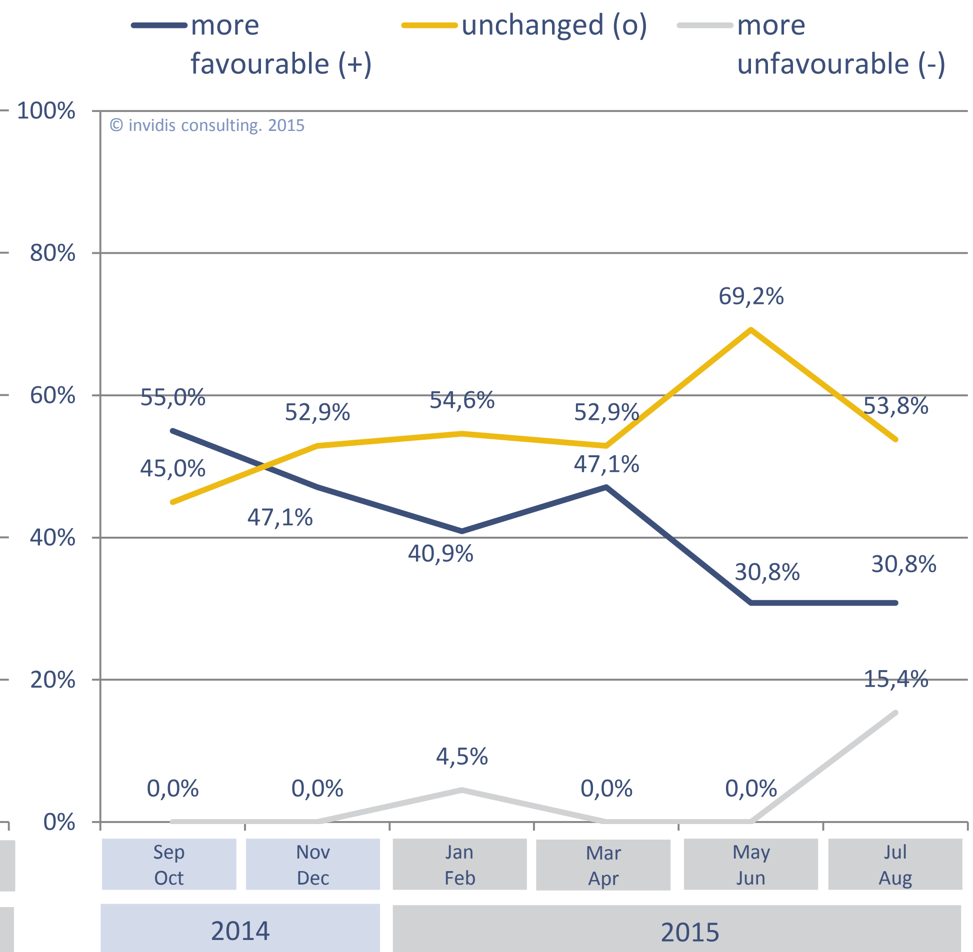


Fig. 12: DBCI July | August 2015 „Expectations Switzerland" rolling 12 months, n=13

Segments | Consolidation dominates Display industry in 2014

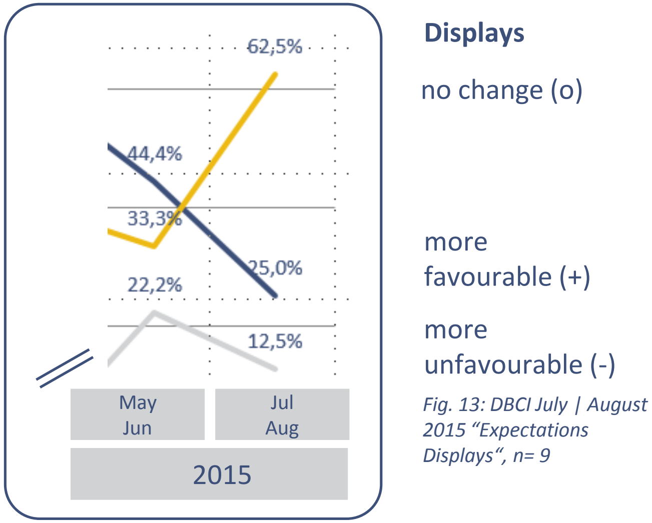


Fig. 13: DBCI July | August 2015 "Expectations Displays", n= 9

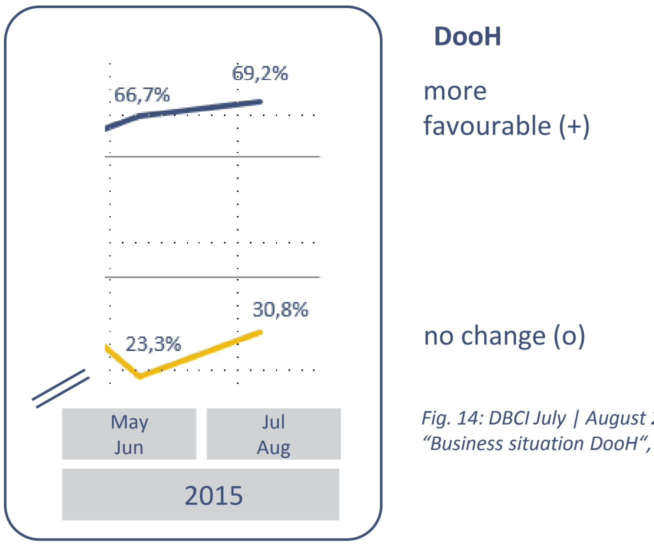


Fig. 14: DBCI July | August 2015 "Business situation DooH", n=26

- The conservative business sentiment of the **display vendors** has further increased since the last survey. Still most market participants are content with the business situation while the negative assessment for the near future has declined. Since the last quarter of 2013 the display market seems to have reached a mature market situation in the German speaking market region. The YoY growth rate has declined and is heading towards single digits. Moreover fierce price competition of the established brands and successful new market entrants have been cutting away at the margins.
- **System Integrators** have a consistent positive view of the market as over 95% of all surveyed companies record a satisfactory or good current business situation. However, almost half of the market participants see no further growth within the next six months.
- Like the display vendors, the **software vendors** have a increasingly conservative business climate as well as a decline of the negative expectations. This finding shows a current lull in the market, particularly with the realisation of large scale projects.
- Again the **DooH industry** records an increased current business sentiment and an consistently good outlook with 50% of the polled companies expecting "more favourable" conditions within the next six months.

Displays | Satisfactory business situation & increasingly conservative outlook

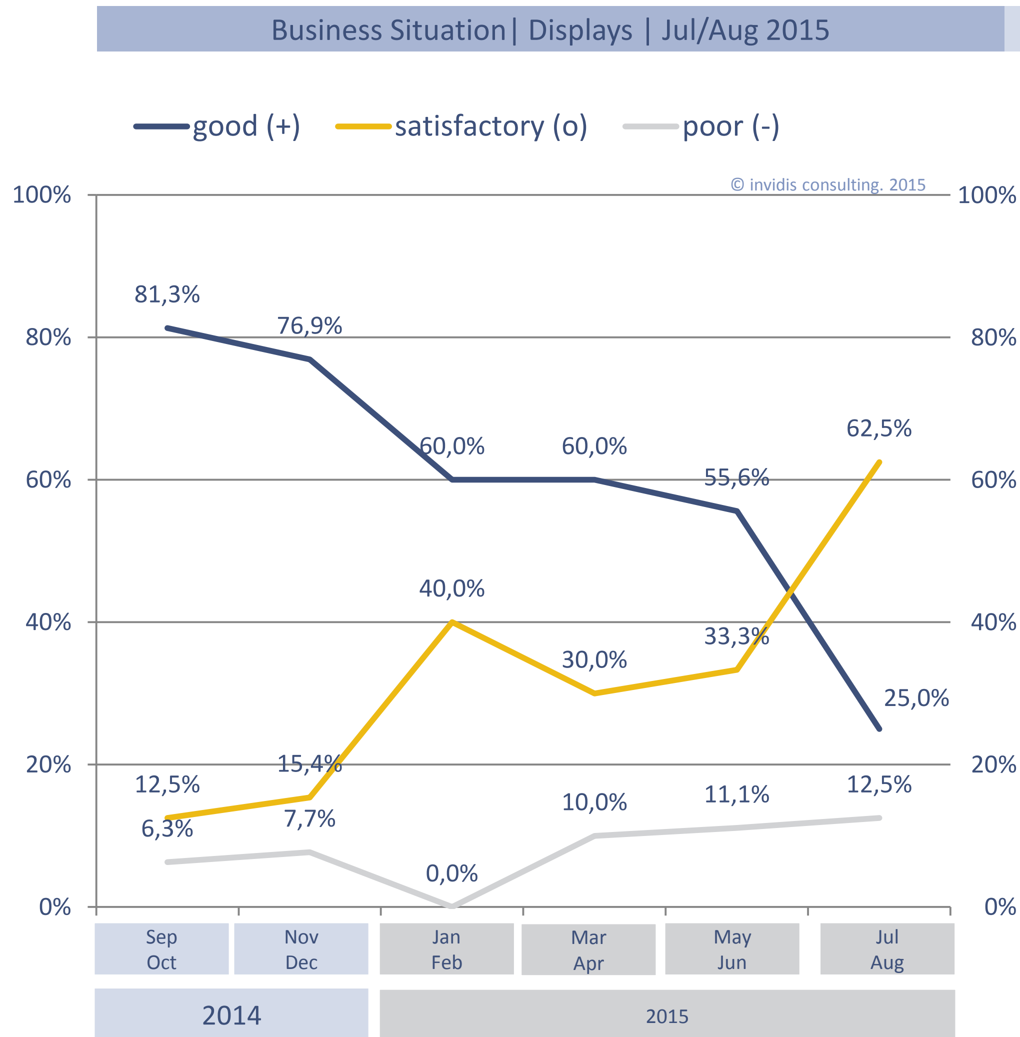


Fig. 15: DBCI Jul | Aug 2015 „Business Situation Displays" rolling 12 months, n=9

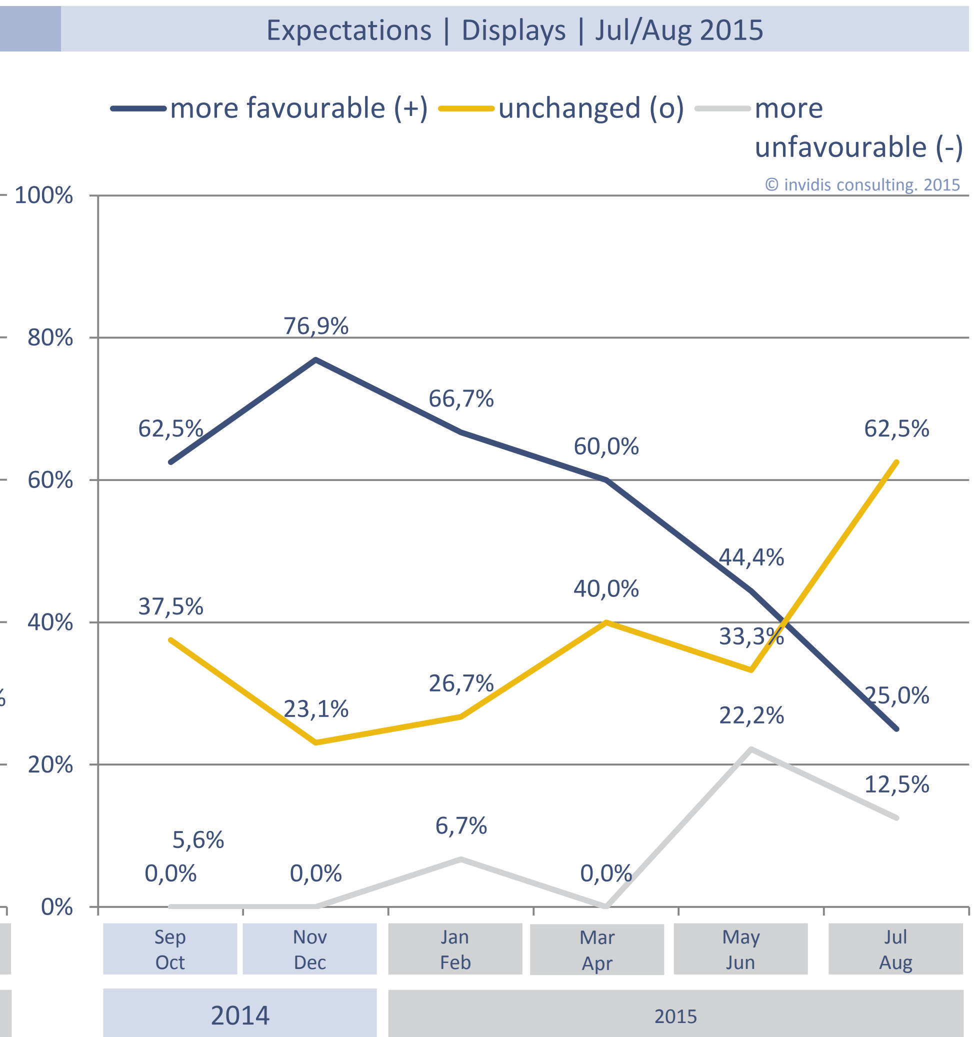


Fig. 16: DBCI Jul | Aug 2015 „Expectations Displays" rolling 12 months, n=9

Integrators | stabilised business situation & robust six month outlook

Business Situation	Integrators	July/August 2015	Expectations	Integrator	July/August 2015

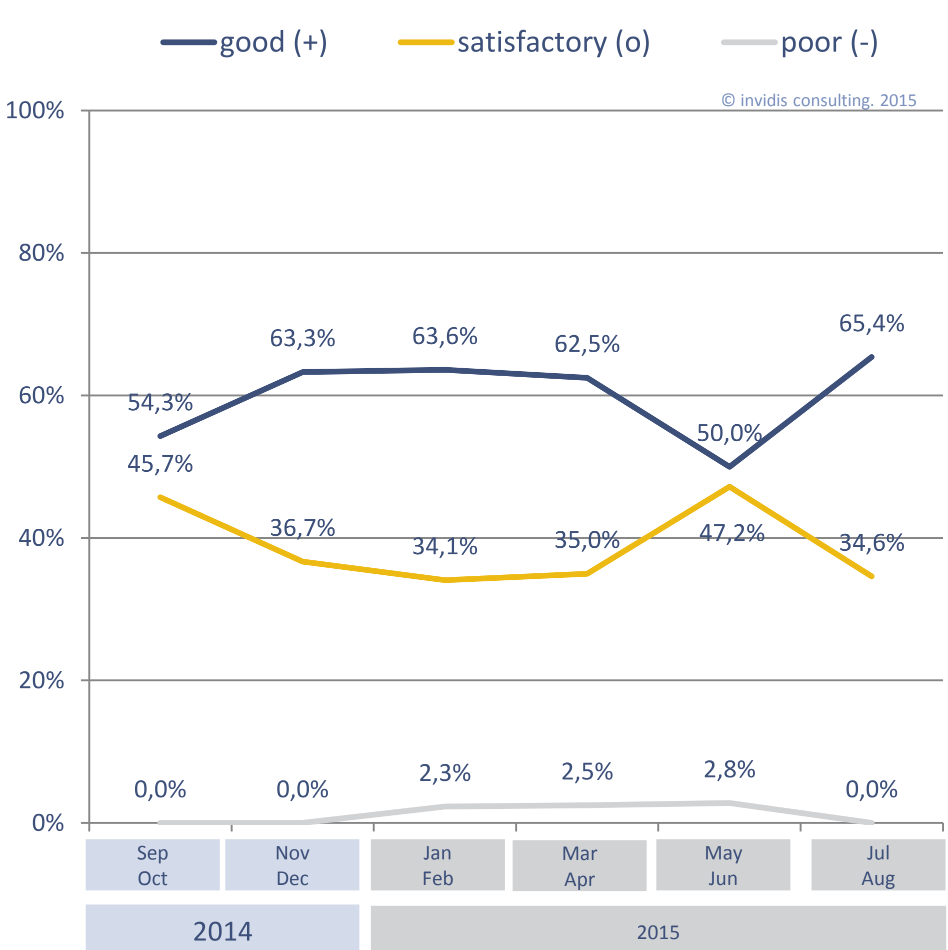


Fig. 17. DBCI July | August 2015 „Business Situation Integrators“ rolling 12 months, n=26

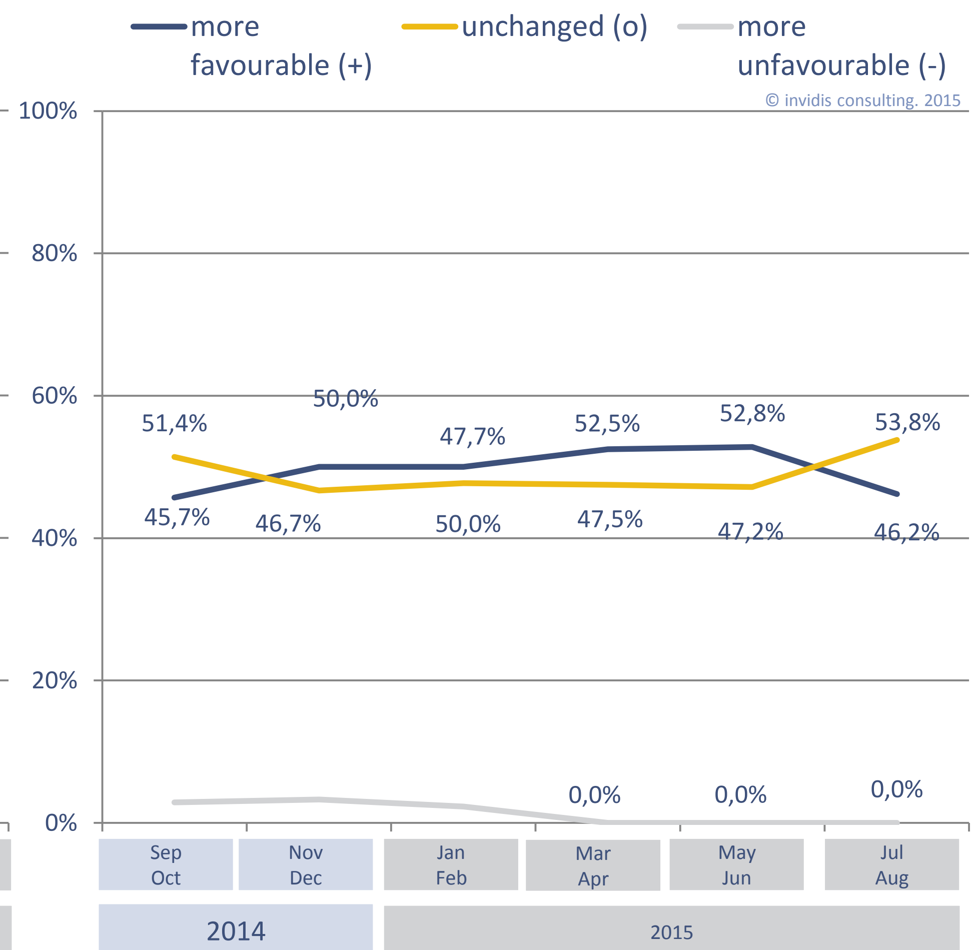


Fig. 18: DBCI July | August 2015 „Expectations Integrators“ rolling 12 months, n=26

Software | Conservative trend for business situation & expectations

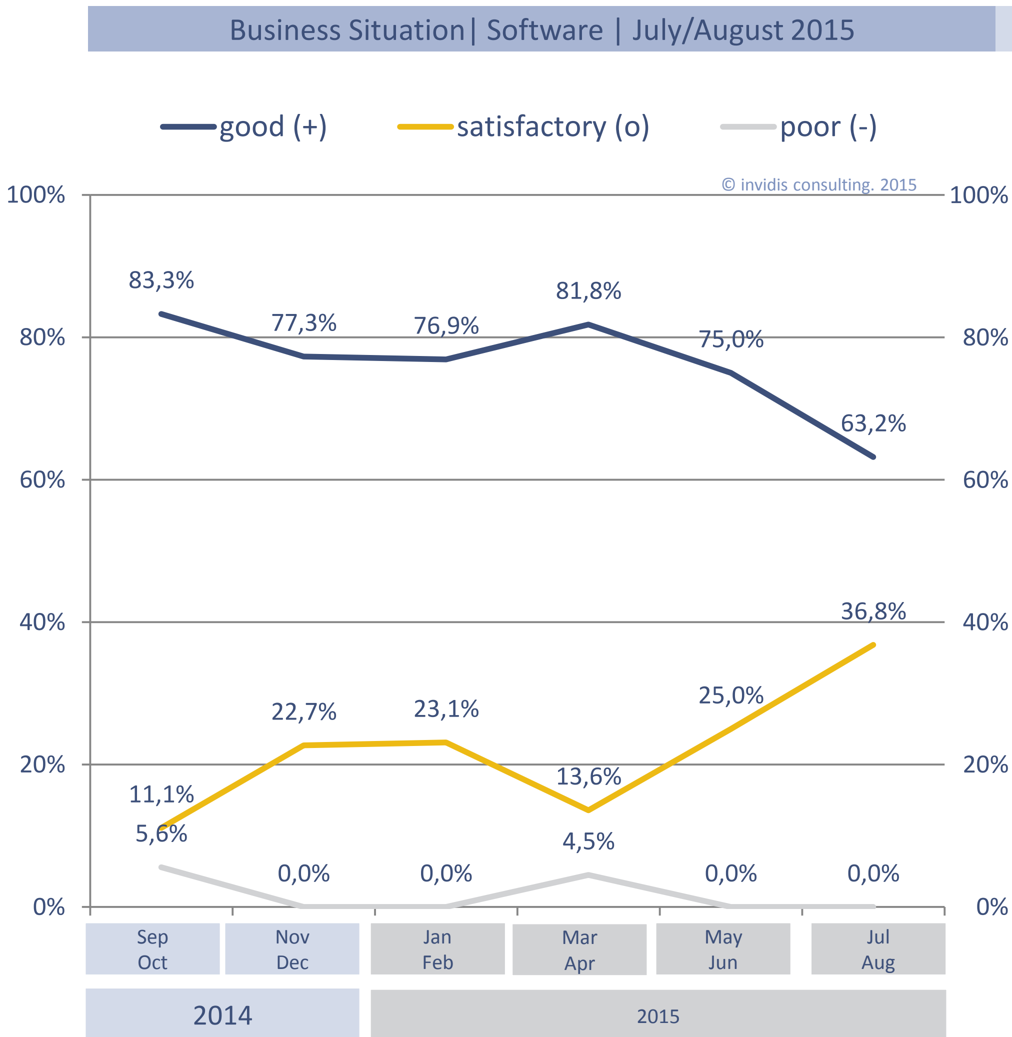


Fig. 19: DBCI July | August 2015 „Business Situation Software" rolling 12 months, n=19

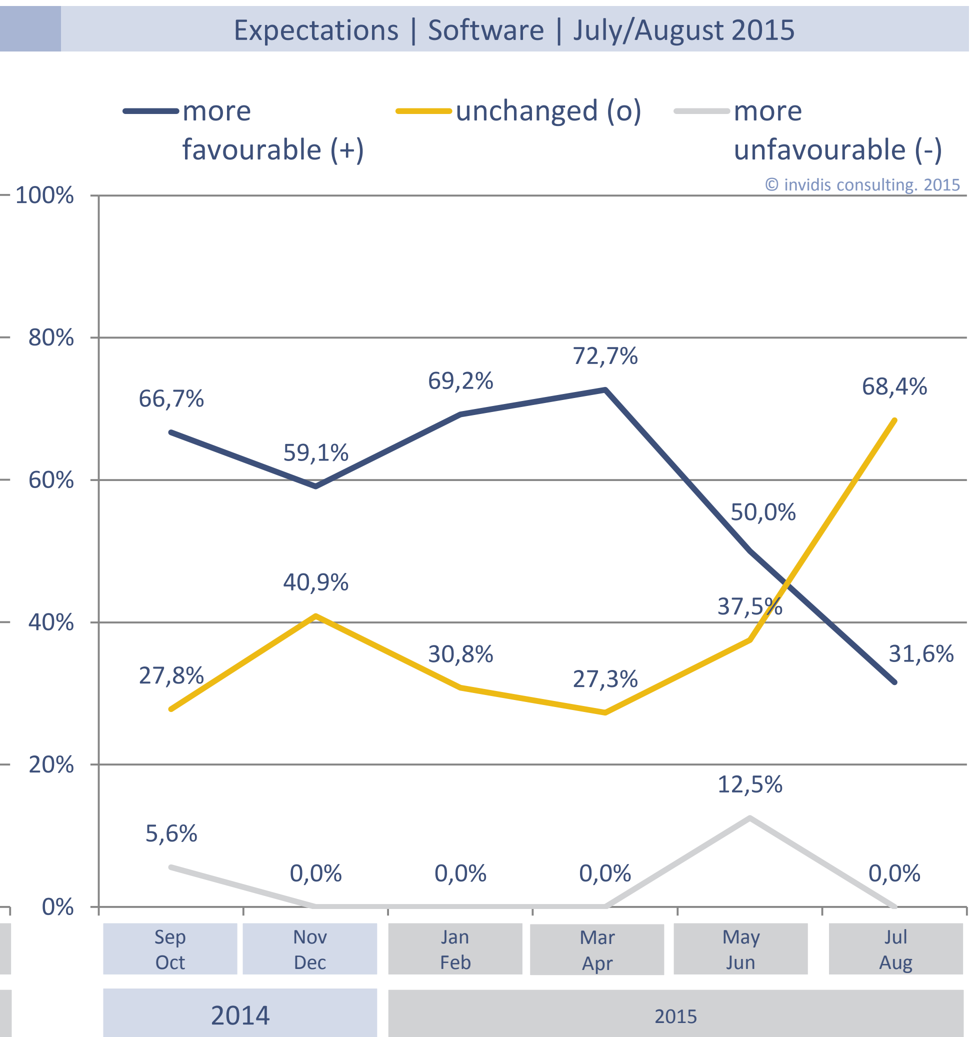


Fig. 20: DBCI July | August 2015 „Expectations Software" rolling 12 months, n=19

DooH | Stable positive business situation & six month outlook

Business Situation| DooH | July/August 2015

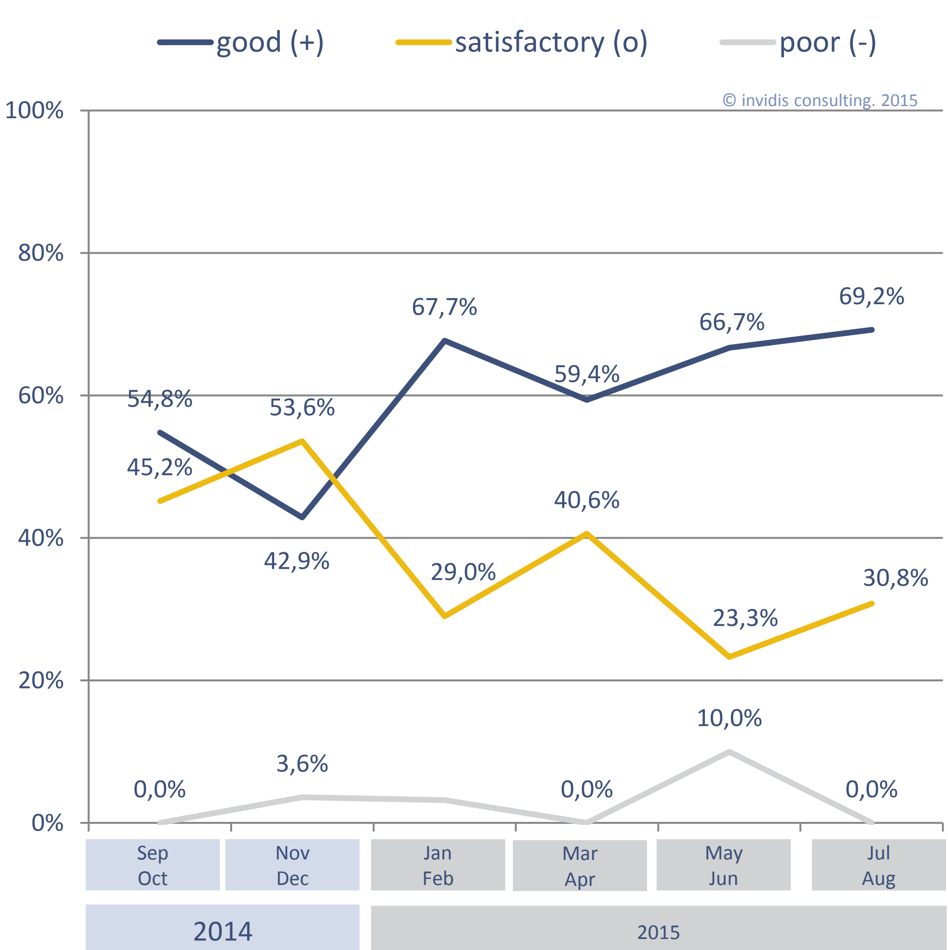


Fig. 21: DBCI July | August 2015 „Business Situation DooH" rolling 12 months, n=26

Expectations | DooH | July/August 2015

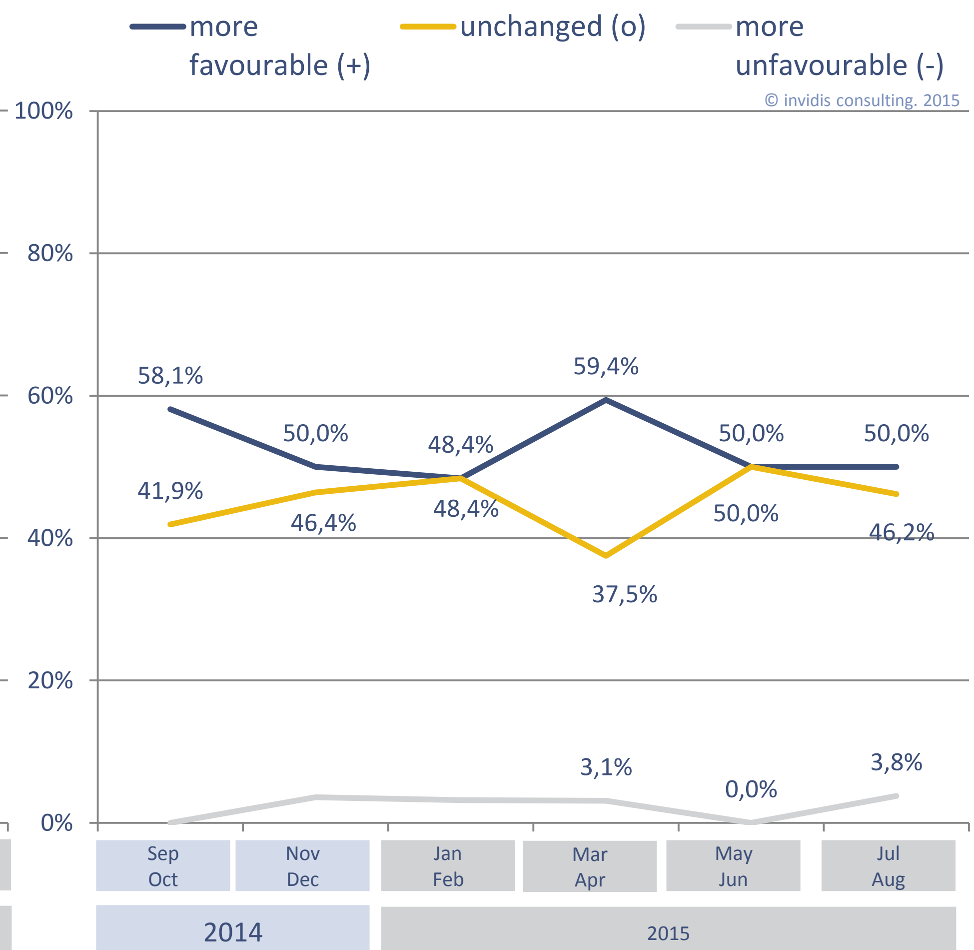


Fig. 22: DBCI July | August 2015 „Expectations DooH" rolling 12 months, n=26

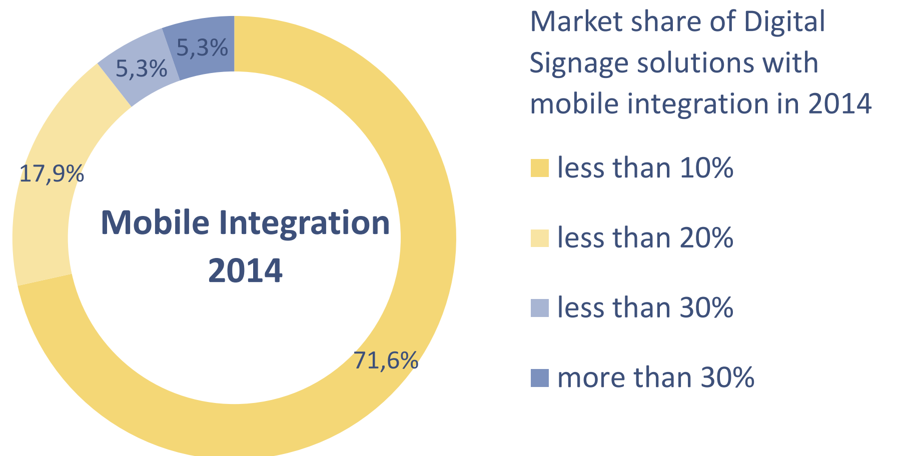
Further research | Mobile integration is still in it‘s infancy

***Question**: How high was the percentage of Digital Signage installations or DooH campaigns with mobile integration you have realized in the last 12 months?*

- Mobile integration is one of the buzzwords connected to the omni-channel retail concept within the digital transformation
- However, in 2014 still only just 10% of all Digital Signage solutions or DooH campaigns were actively banking on integrating mobile devices
- Most installations or campaigns still rely on content which doesn't access the many interactive possibilities of the digital world, but rather is a digitized version of an analogue media format (i.e. poster)

***Question:** How high do you expect the percentage of Digital Signage installations or DooH campaigns with mobile integration will be in 24 months?.*

- Within the next two years the market participants see the current situation changing. The expectation is that in average between 10% and 20% of all of projects will be rolled out with mobile integration.



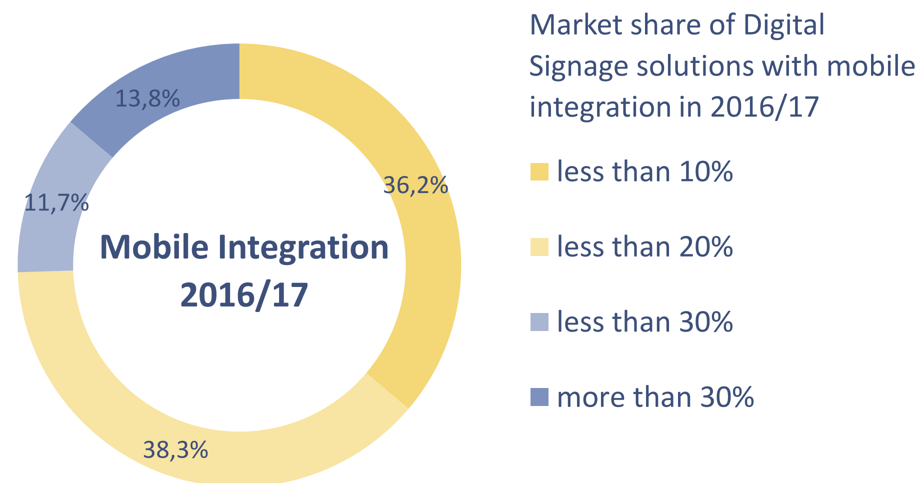


Fig. 23: DBCI July | August 2015 “mobile integration”, n=94

DE-AT-CH | Index – Long-term data series

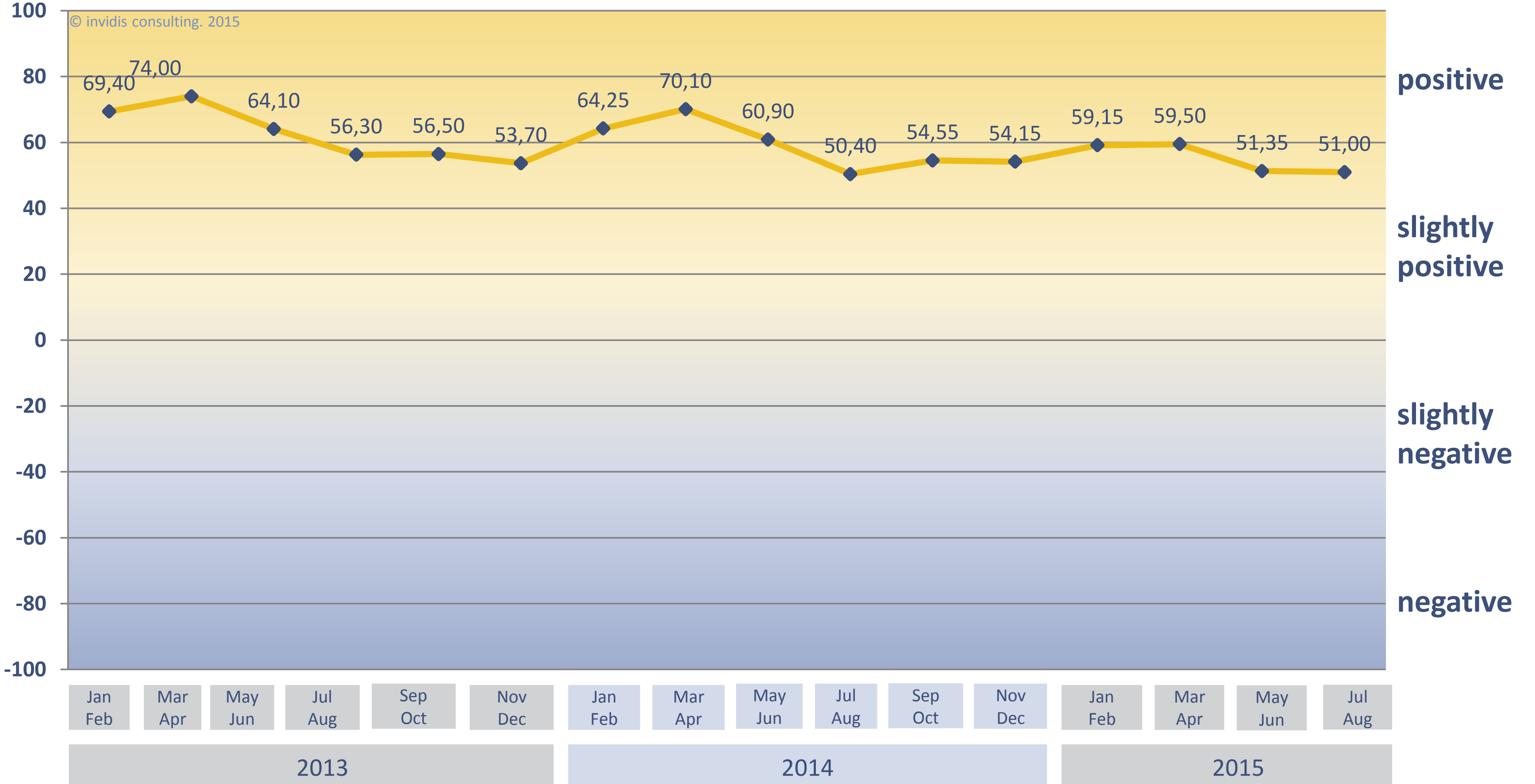


Fig. a: DBCI „Index DE-AT-CH" Long-term data series

DE-AT-CH | Business Situation – Long-term data series

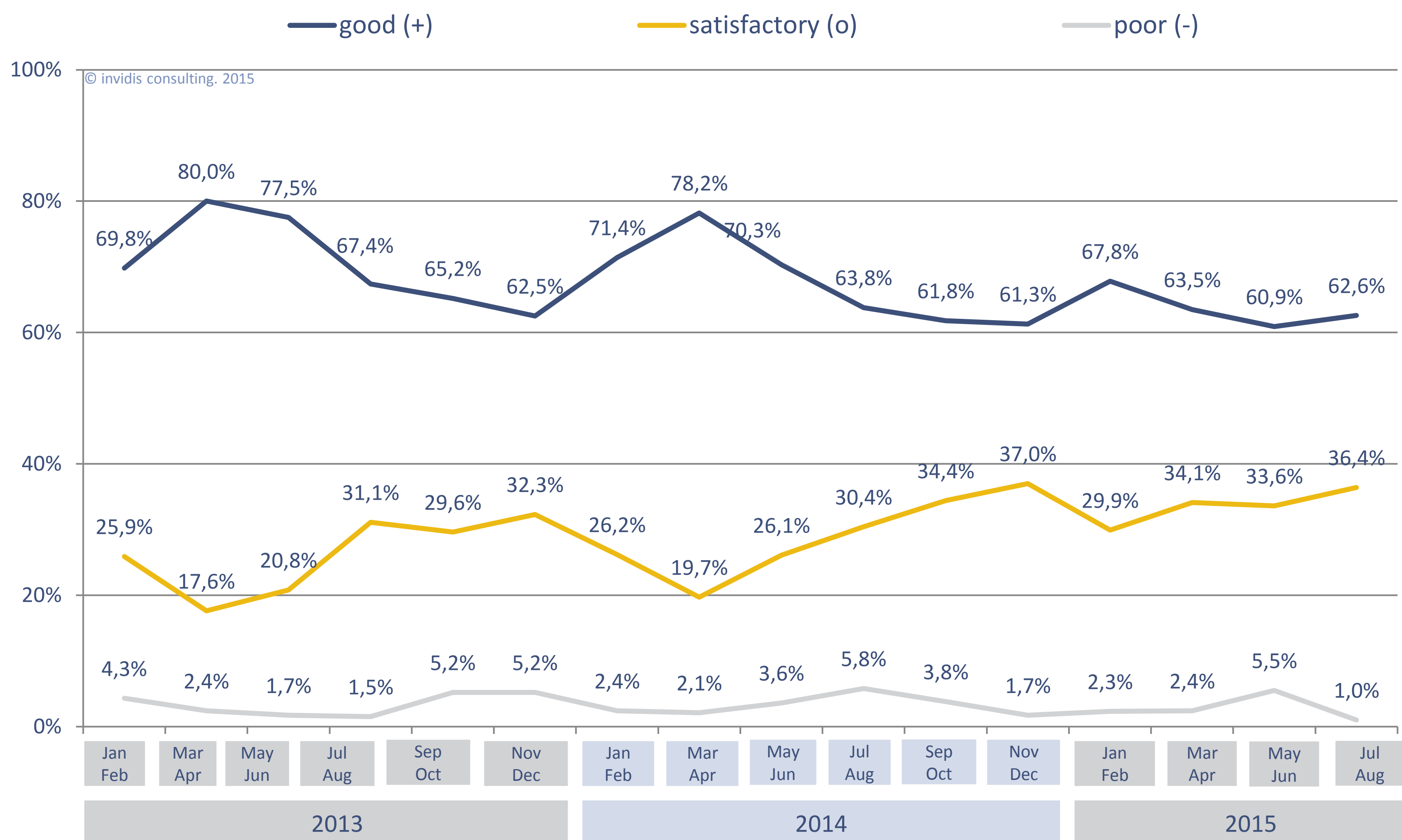


Fig. b: DBCI „Business Situation DE-AT-CH“ Long-term data series

DE-AT-CH | Expectations – Long-term data series

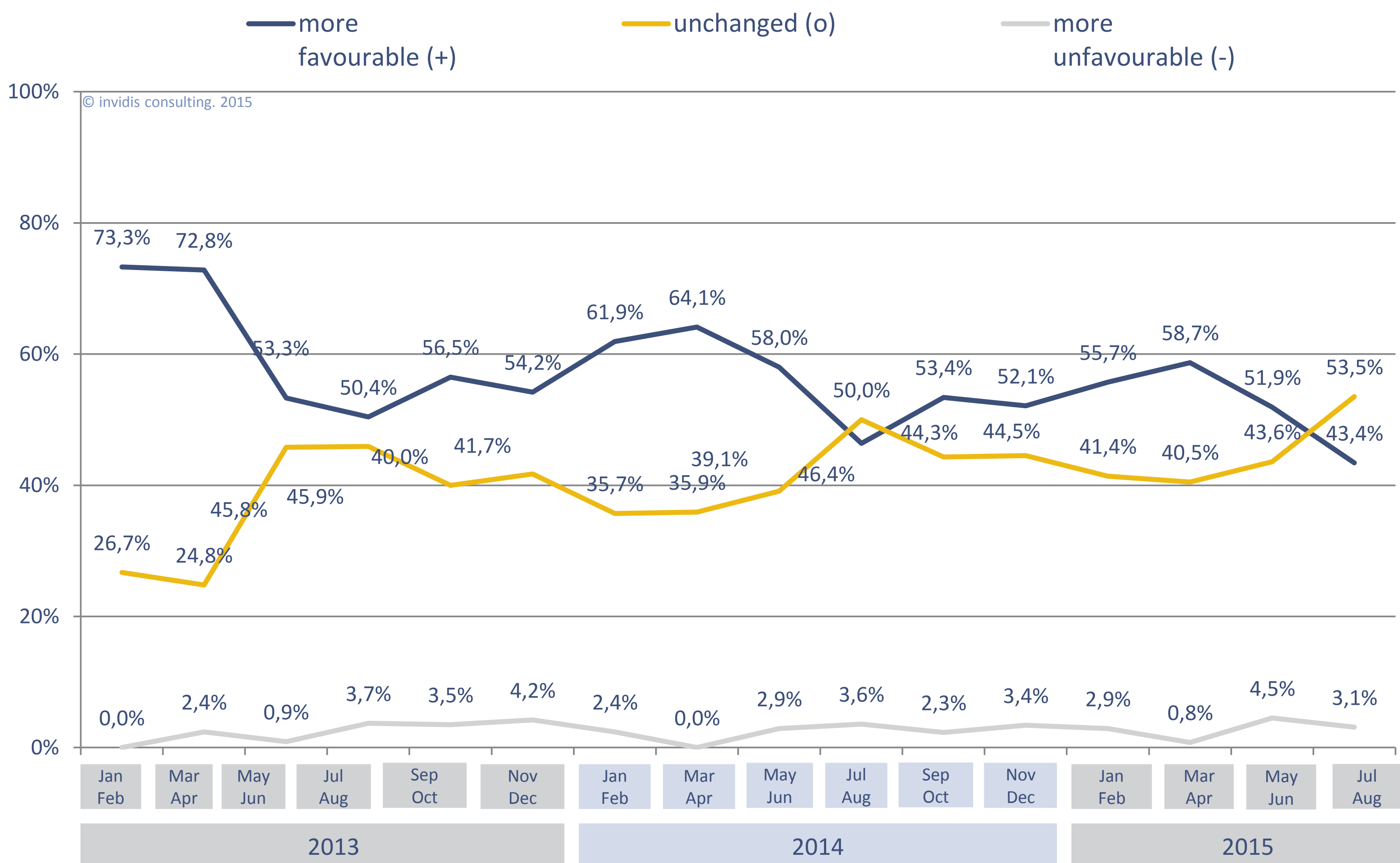


Fig. c: DBCI „Expectations DE-AT-CH" Long-term data series

DE-AT-CH | Index countries – Long-term data series

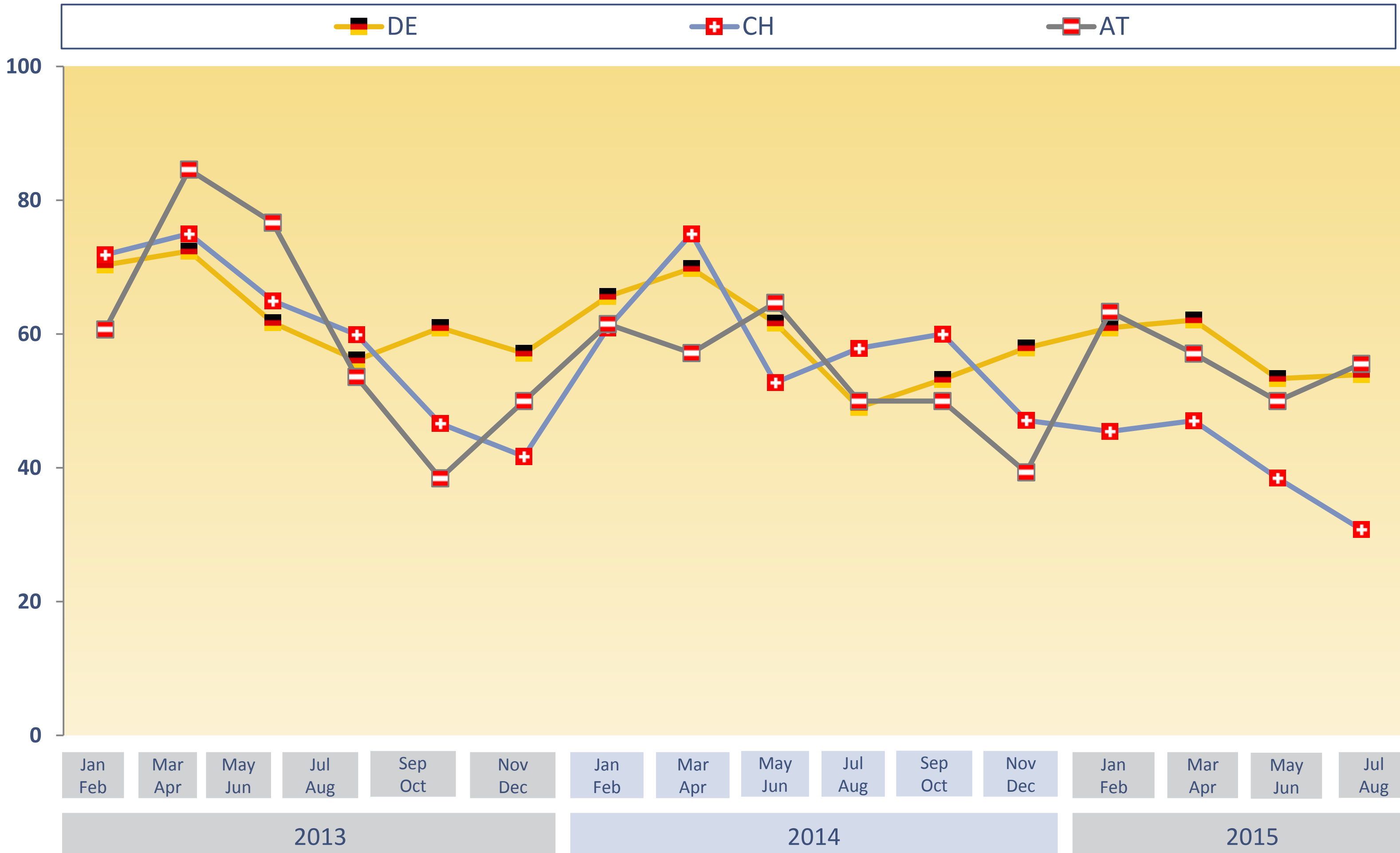


Fig. d: DBCI „Index DE-AT-CH“ Long-term data series

Germany | Business sentiment – Long-term data series

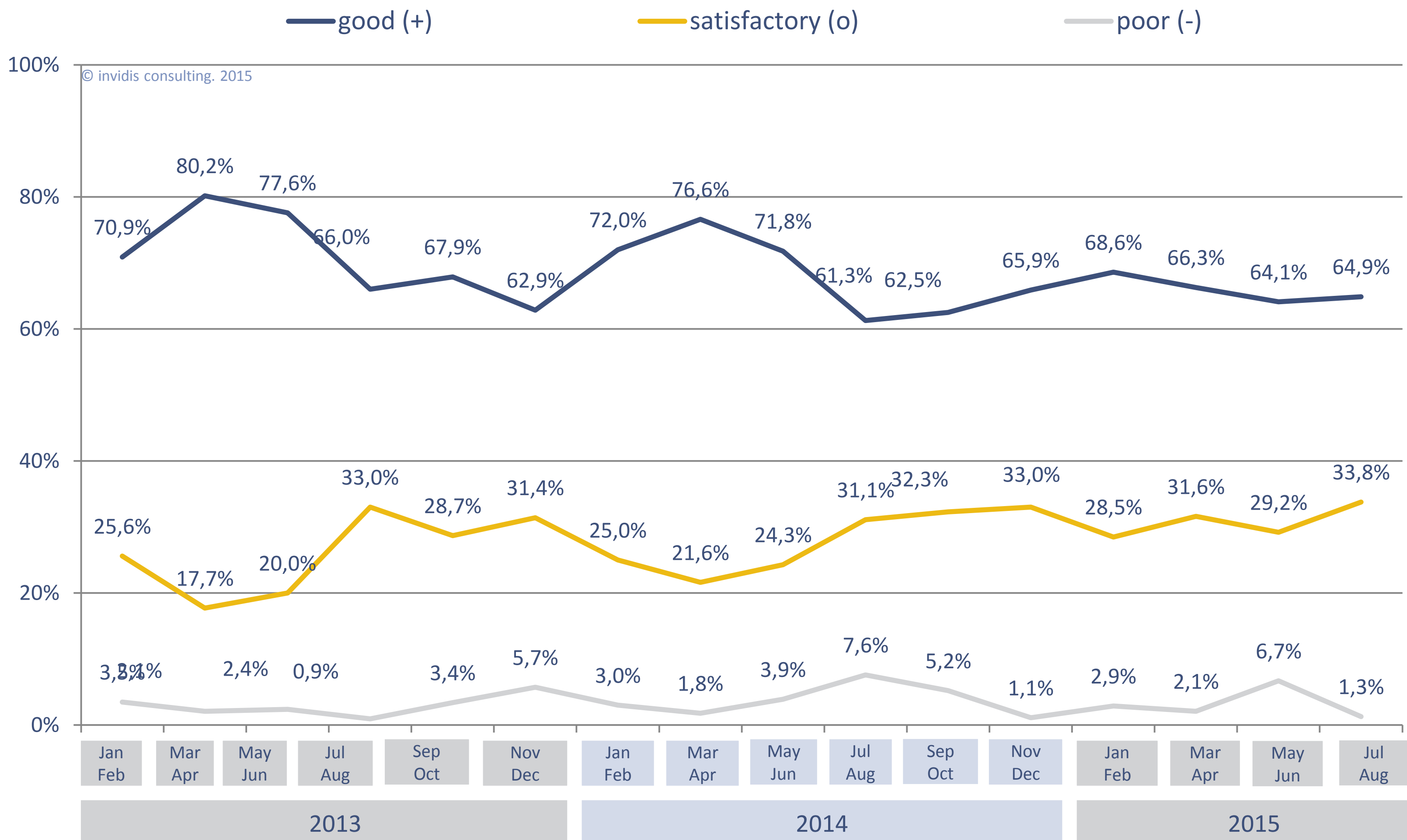


Fig. e: DBCI „Business Situation Germany" Long-term data series

Germany | Expectations – Long-term data series

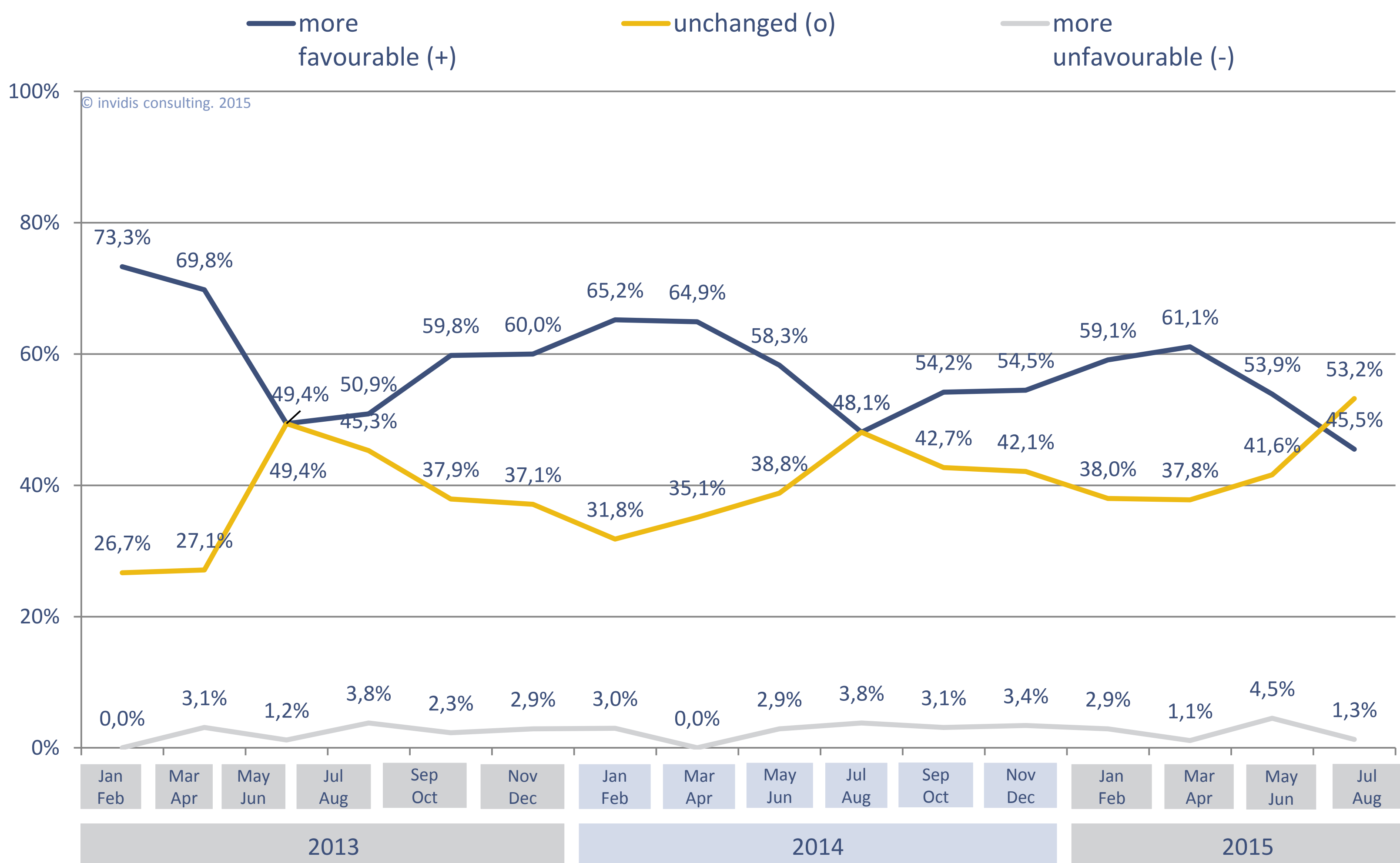


Fig. f: DBCI „Expectations Germany“ Long-term data series

Austria | Business sentiment –Long-term data series

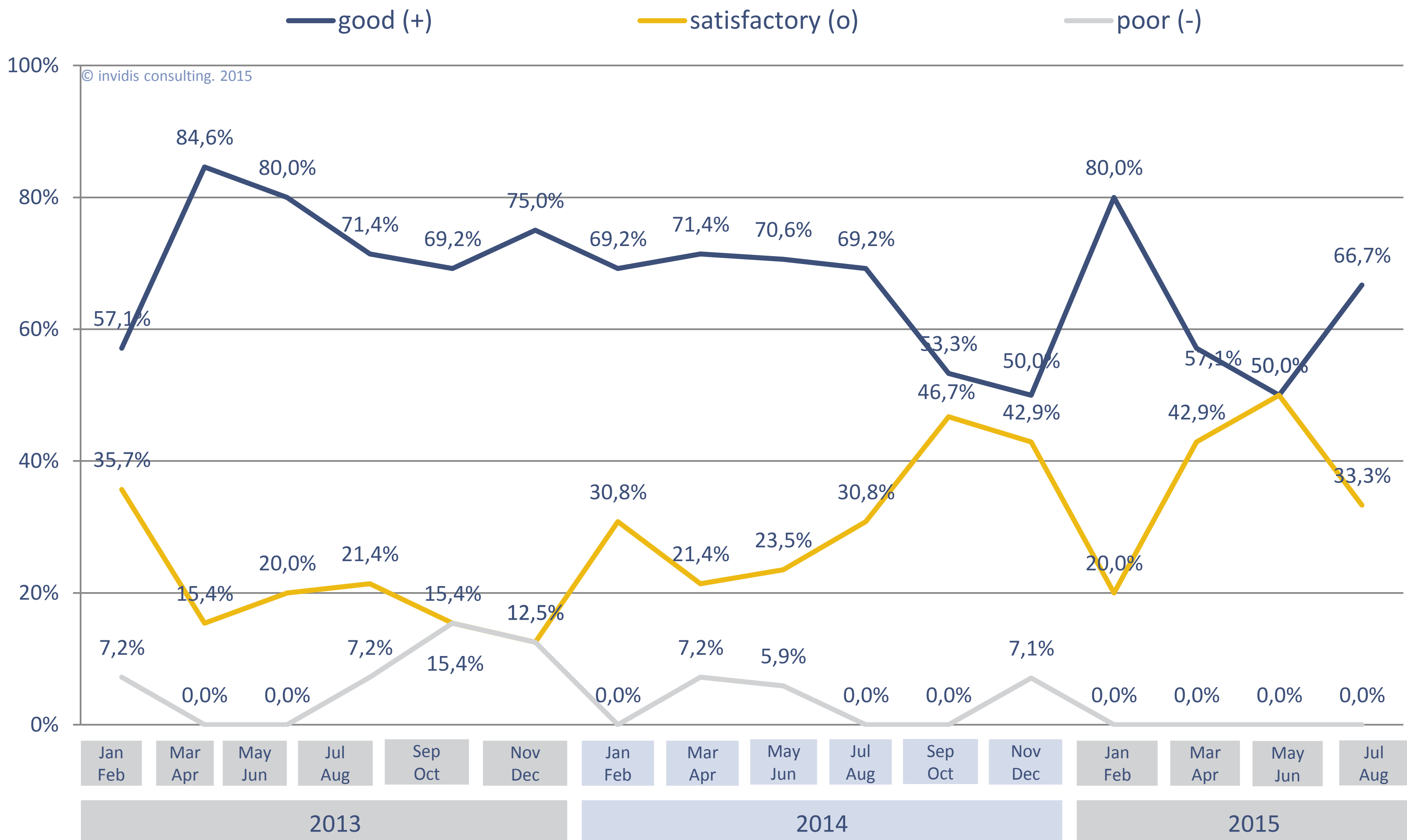


Fig. g: DBCI „Business Situation Austria" Long-term data series

Austria | Expectations – Long-term data series

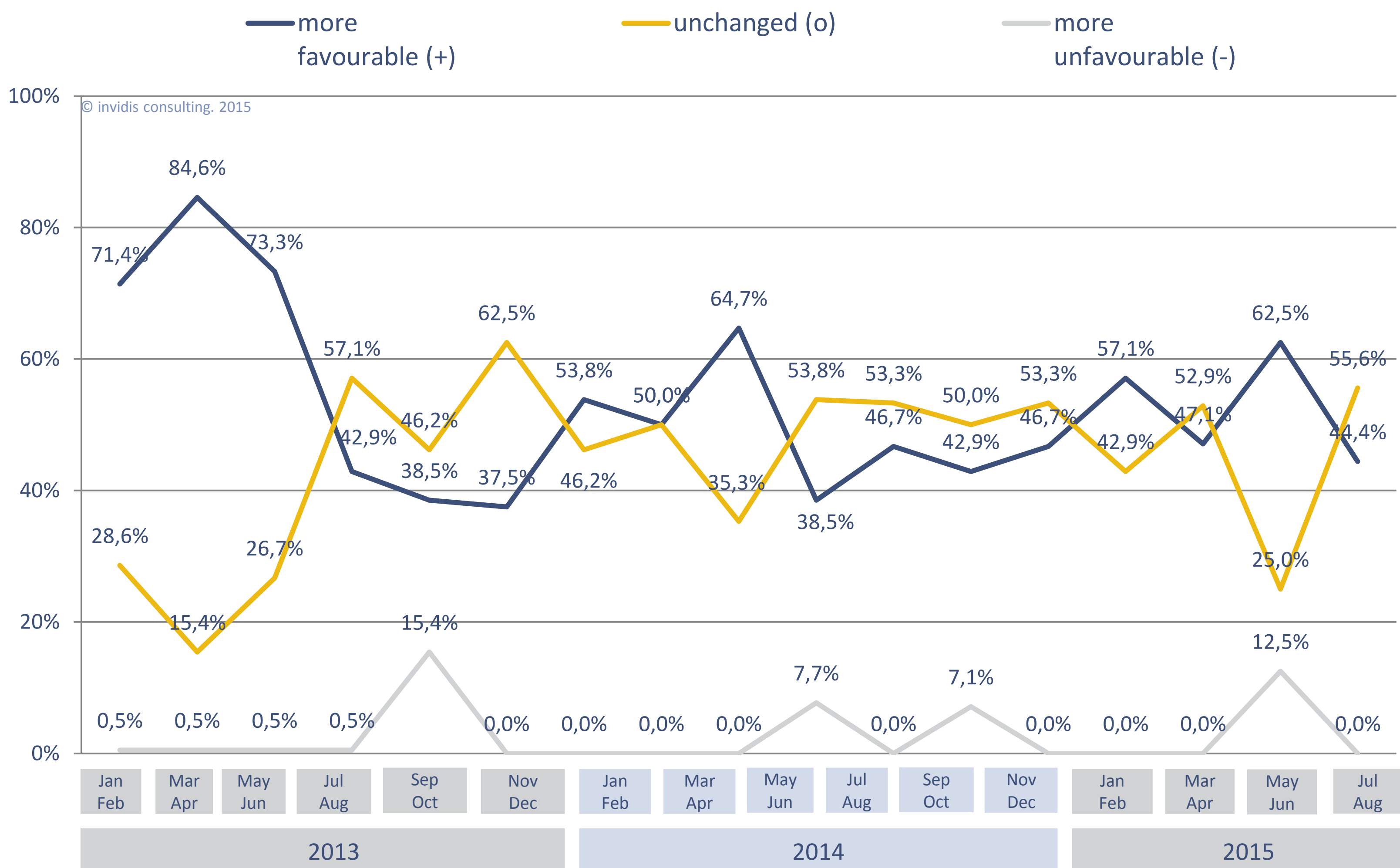


Fig. h: DBCI „Expectations Austria“ Long-term data series

Switzerland | Business sentiment – Long-term data series

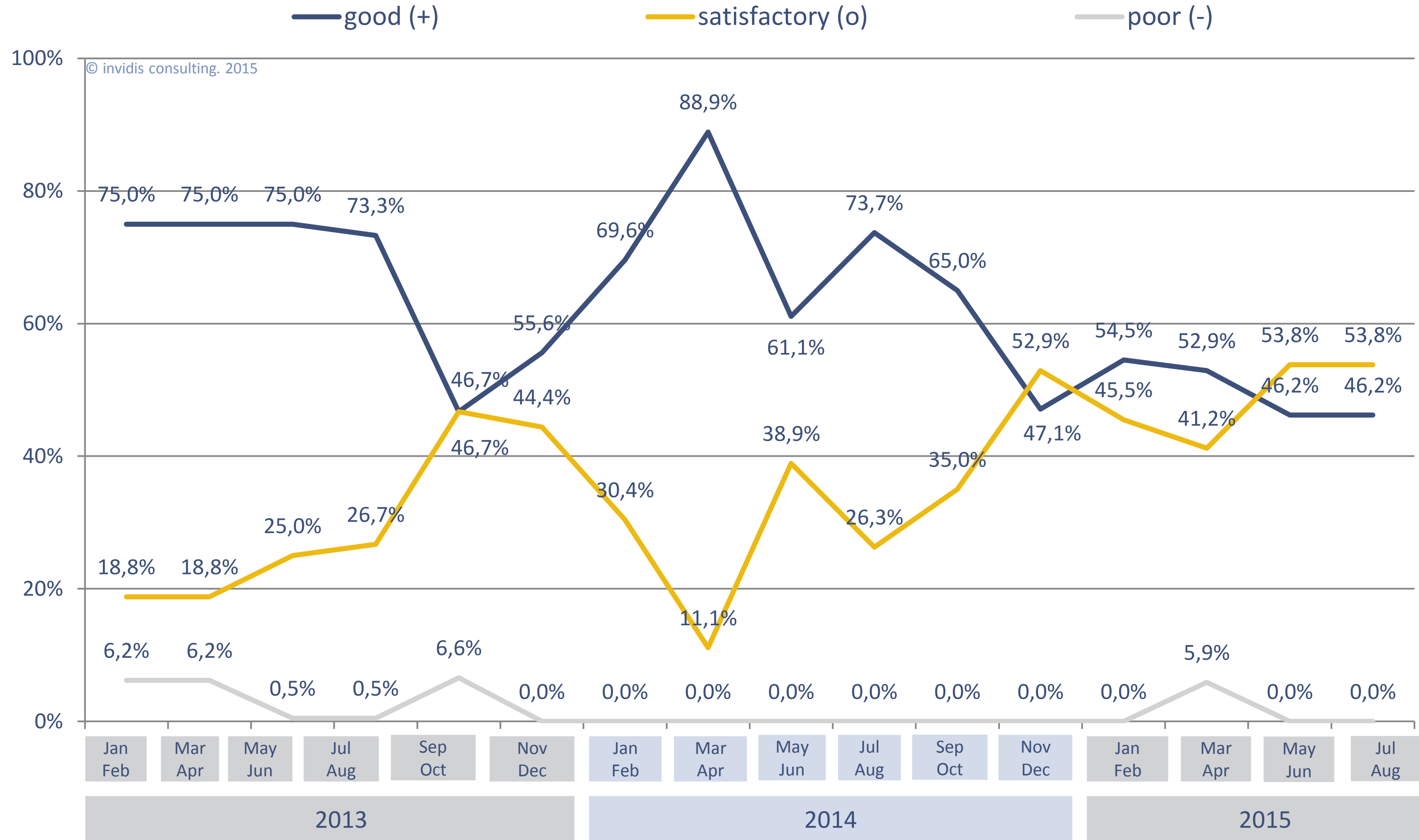


Fig. i: DBCI „Business Situation Switzerland“ Long-term data series

Switzerland | Expectations – Long-term data series

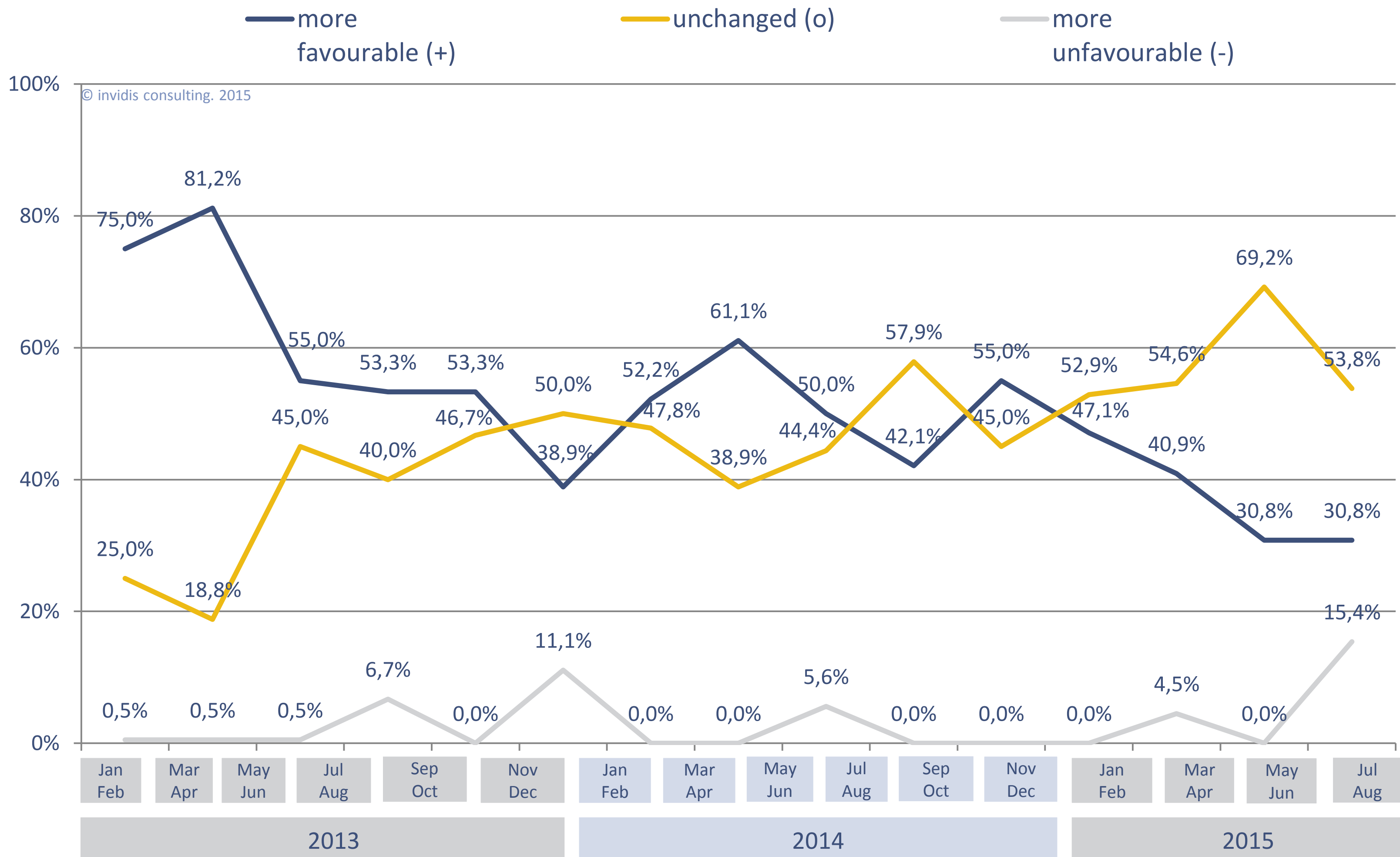


Fig. j: DBCI „Expectations Switzerland“ Long-term data series

Displays | Business sentiment- Long-term data series

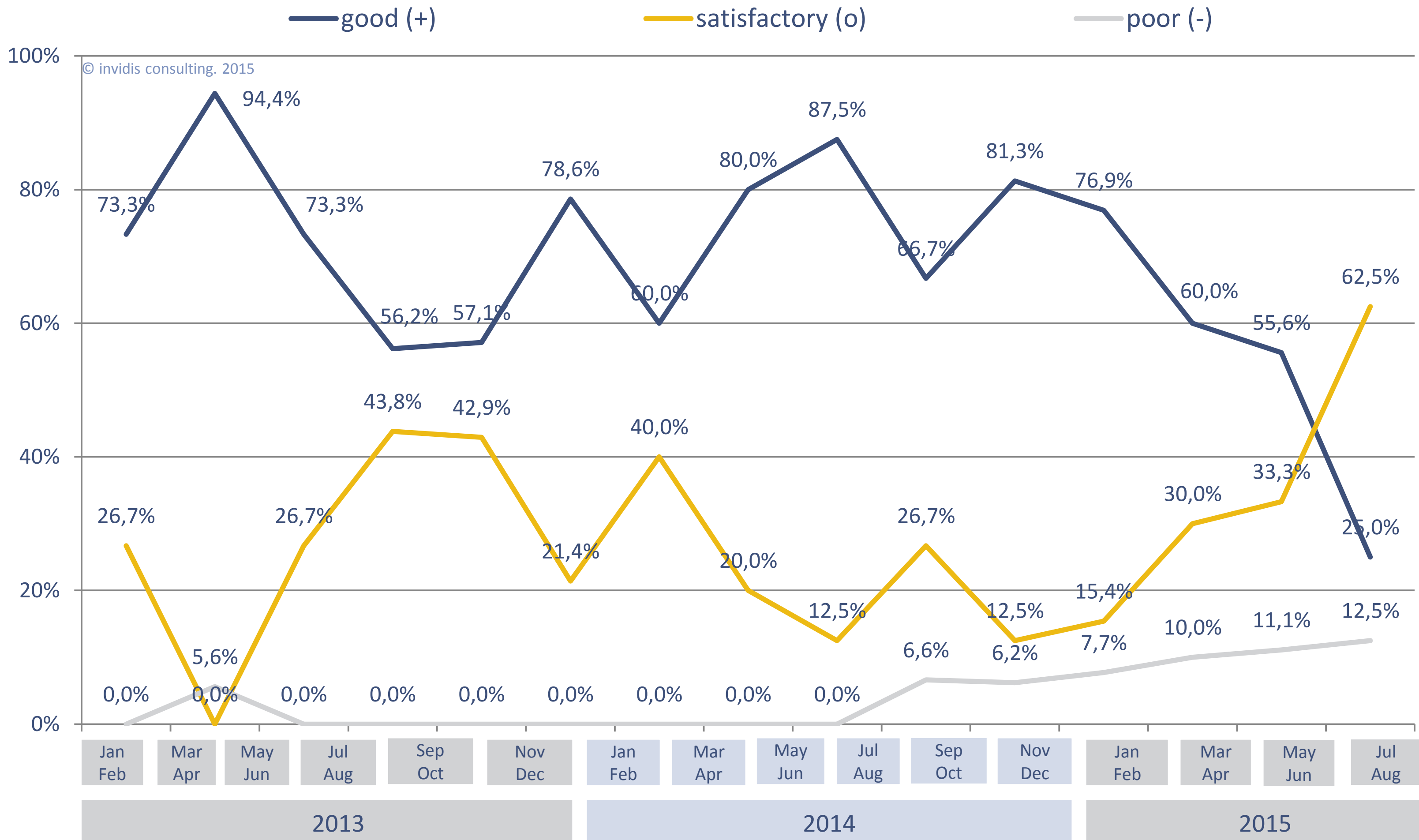


Fig. k: DBCI „Business Situation Displays“ Long-term data series

Displays | Expectations - Long-term data series

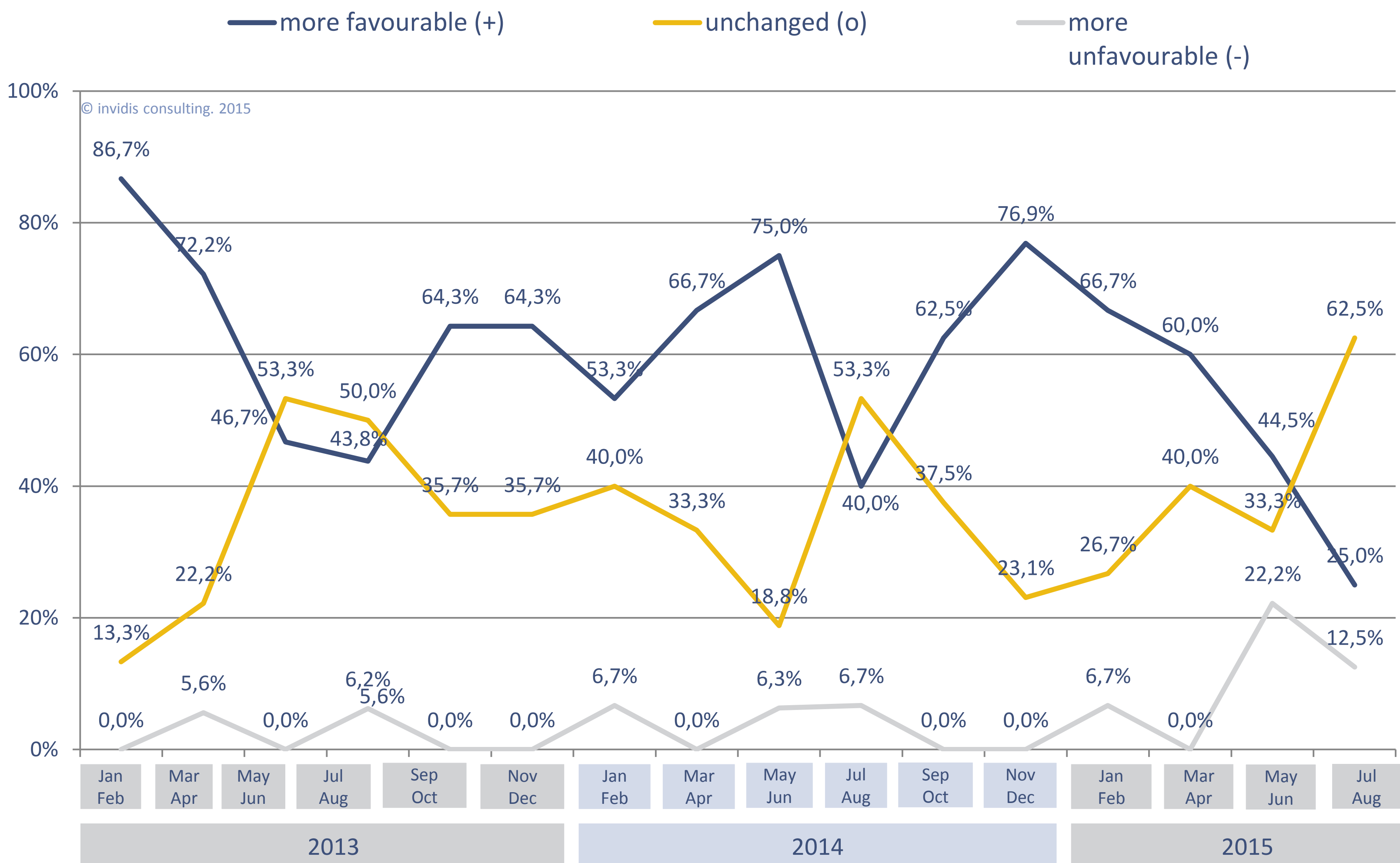


Fig. I: DBCI „Expectations Displays" Long-term data series

Integrators | Business Sentiment – Long-term data series

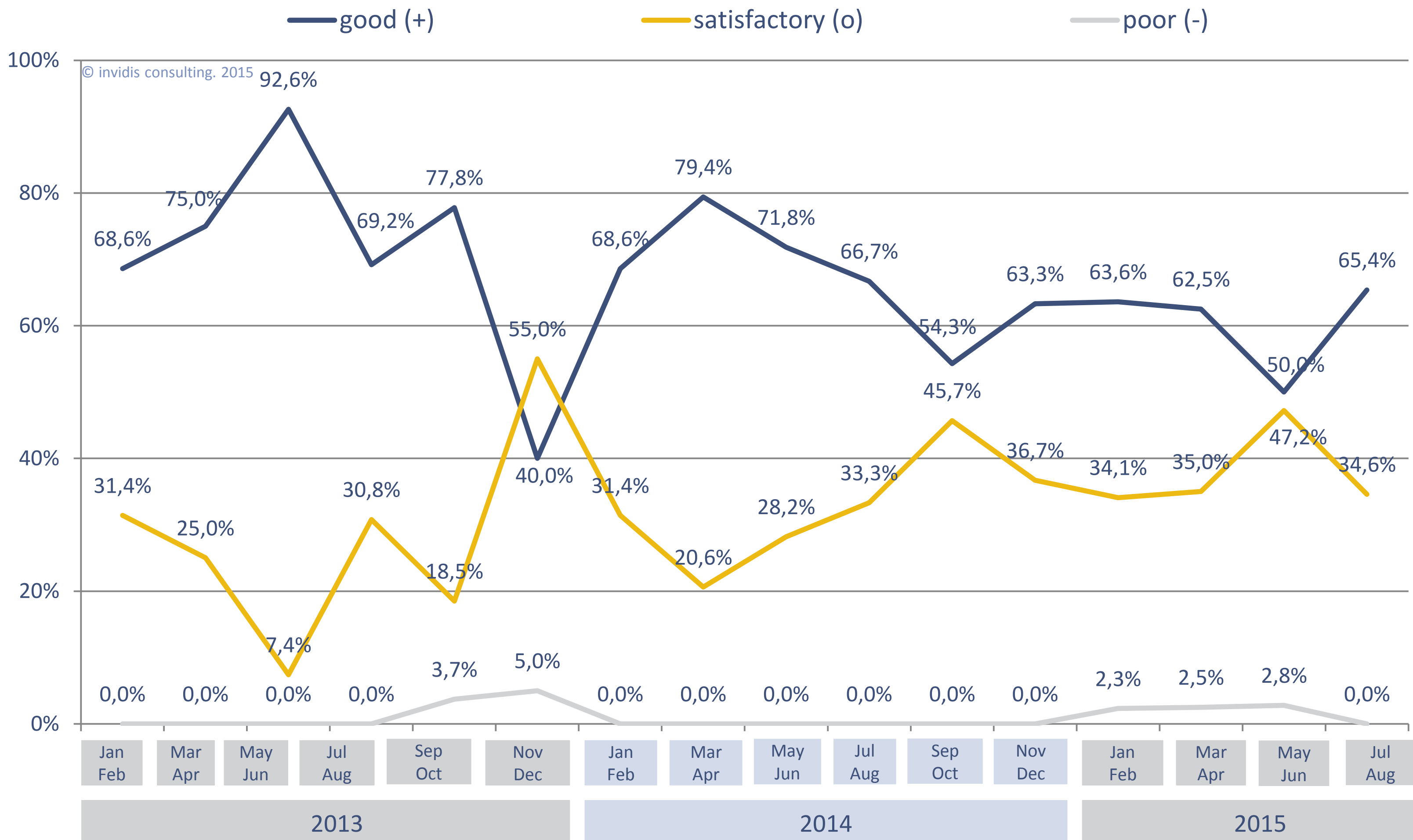


Fig. m. DBCI „Business Situation Integrators“ Long-term data series

Integrators | Expectations – Long-term data series

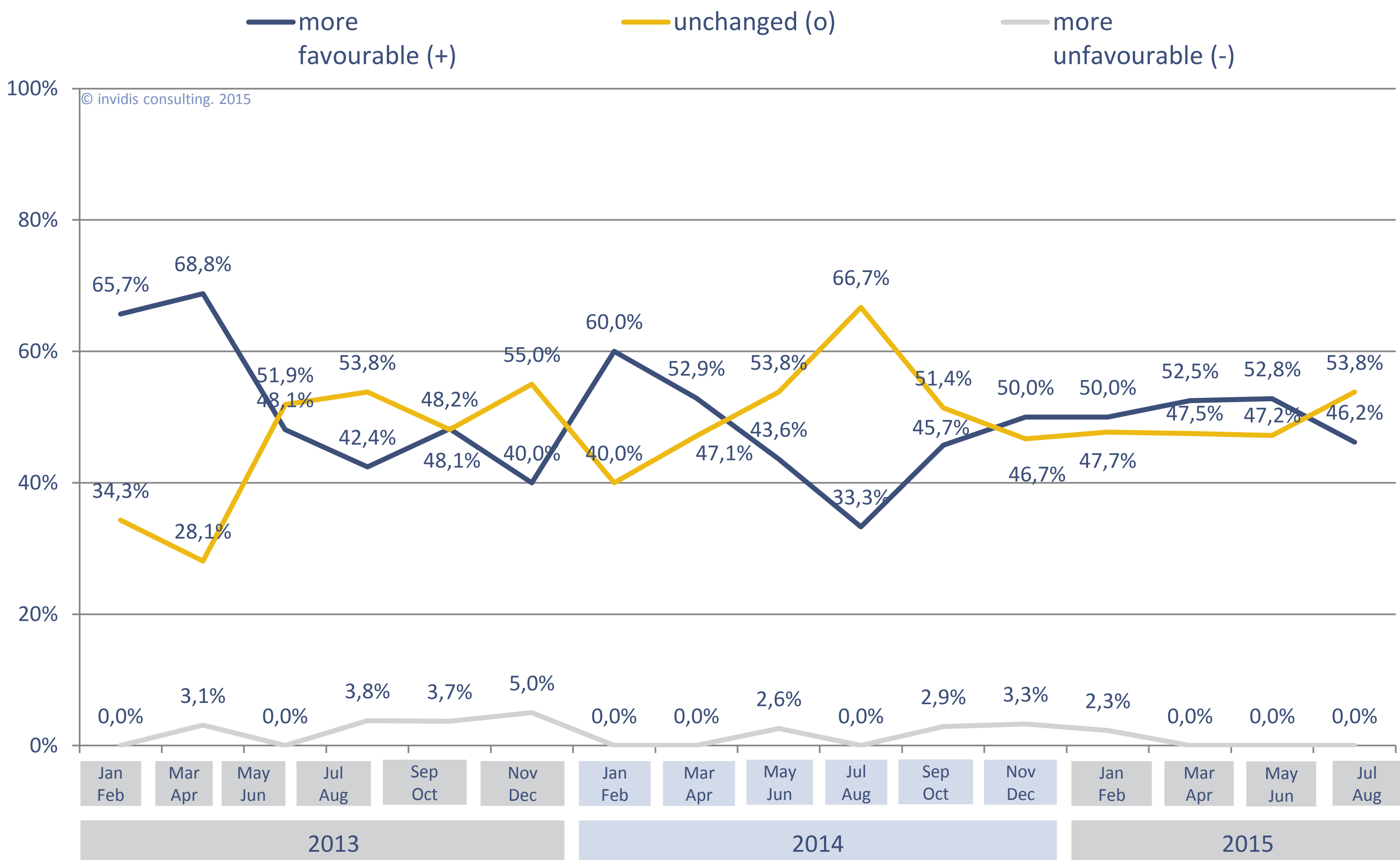


Fig. n: DBCI „Expectations Integrators“ Long-term data series

Software | Business Sentiment – Long-term data series

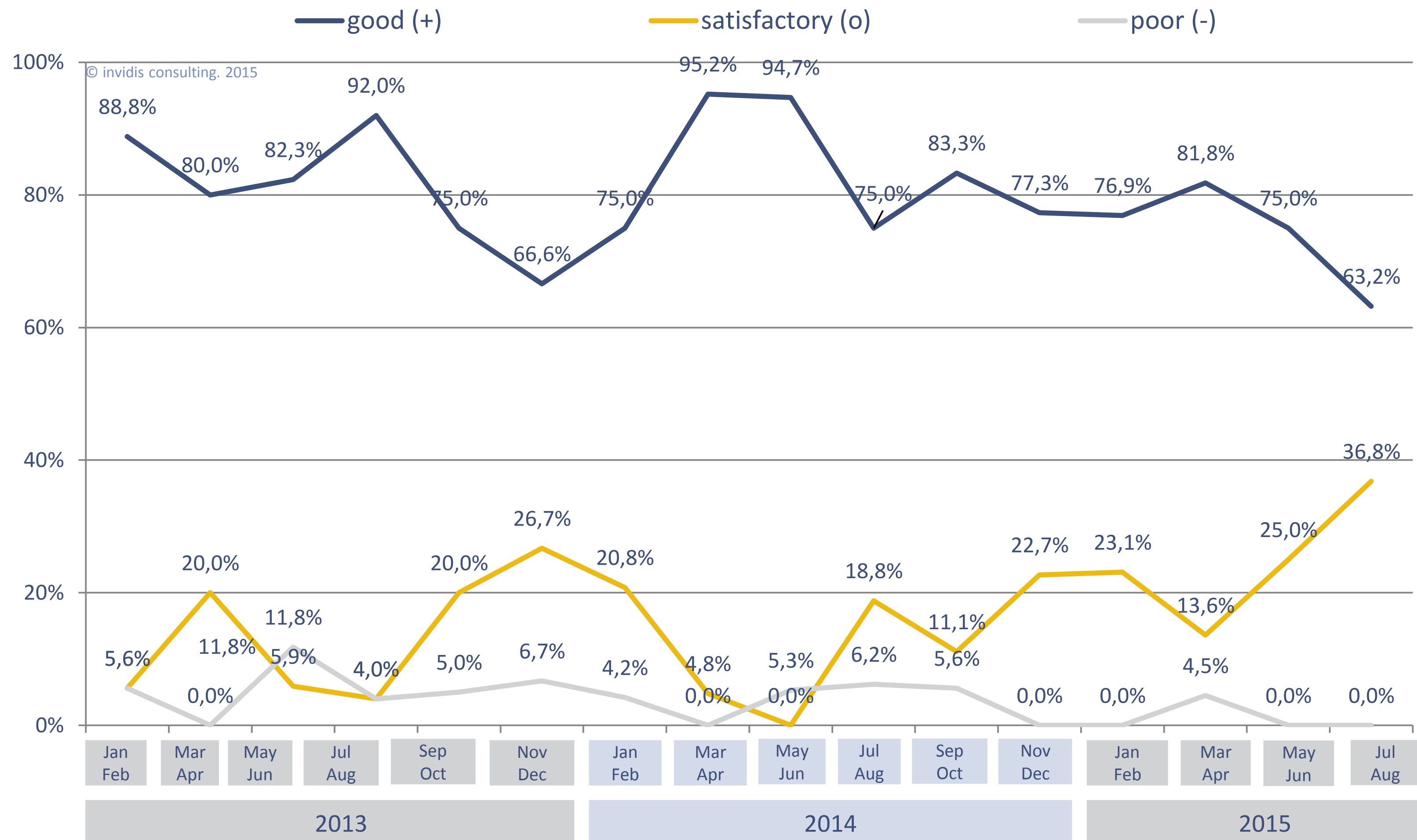


Fig. o: DBCI „Business Situation Software“ Long-term data series

Software | Expectations – Long-term data series

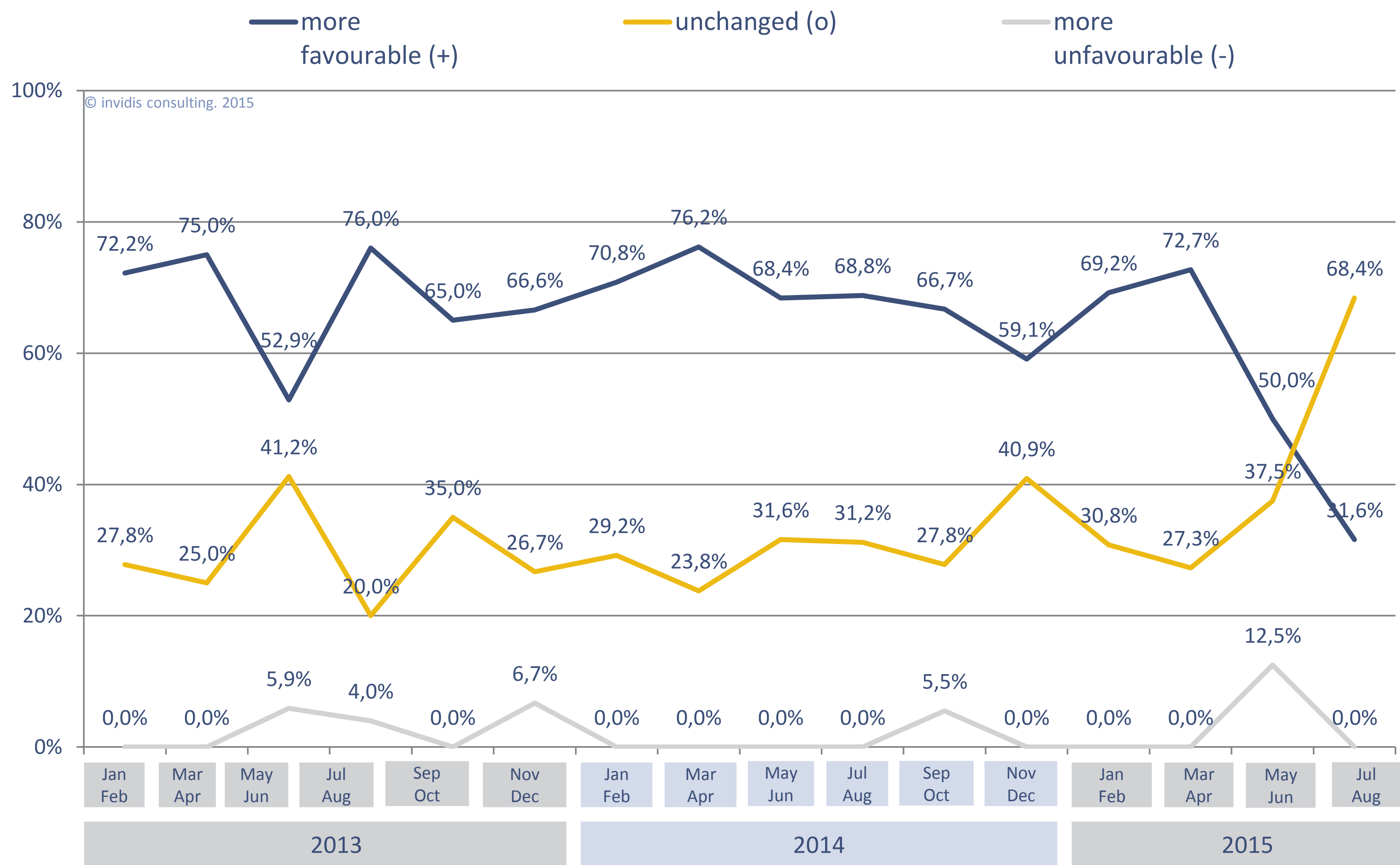


Fig. p: DBCI „Expectations Software“ Long-term data series

DooH | Business Sentiment – Long-term data series

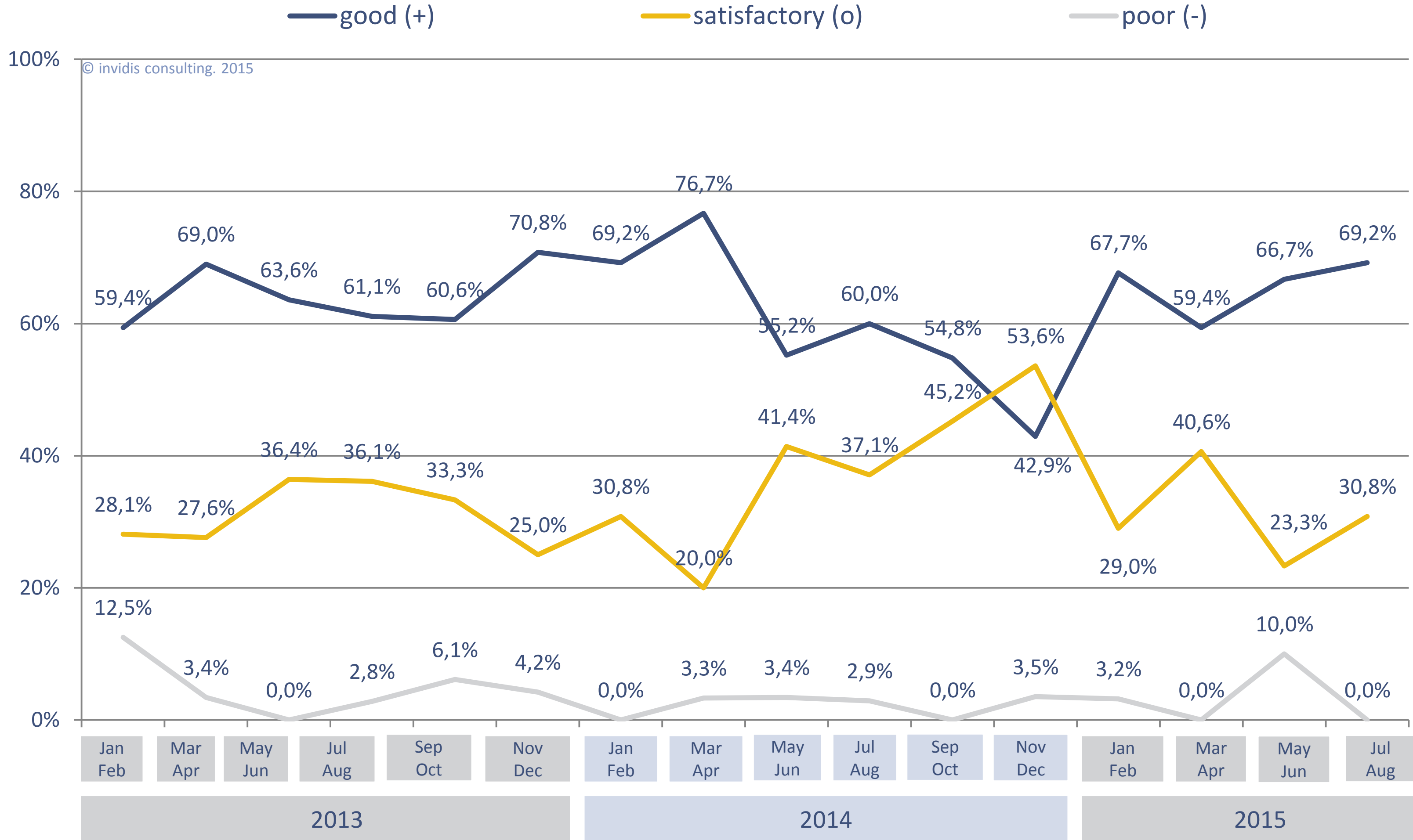


Fig. q: DBCI „Business Situation DooH" Long-term data series

DooH | Expectations – Long-term data series

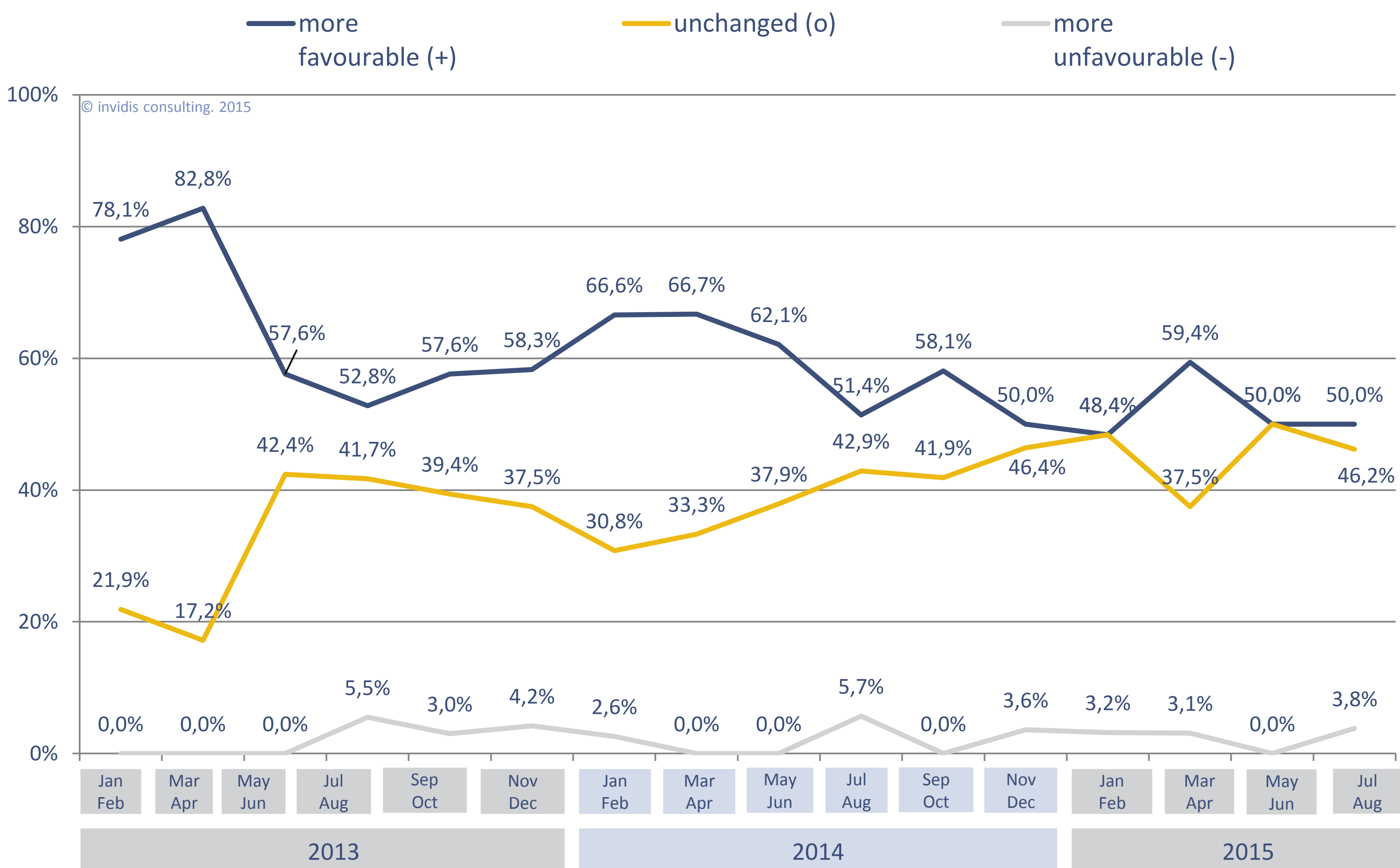


Fig. s: DBCI „Expectations DooH" Long-term data series

DBCI | Roadmap 2015 & Contact

2015	
January	
February	
March	
April	
May	
June	
July	
August	
September	**Sept./Oct. | 2015/09/17**
October	
November	**Nov./Dec. | 2015/11/16**
December	

- The next survey will take place in calendar weeks 35-36 of 2015
- The next planned publication date will be the 17th of September 2015
- 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 2015. For further information please contact Daniel Russell.

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