GCC

November | December 2015

DBCI

DIGITAL SIGNAGE SUMMIT MENA
16 November 2015, Dubai, UAE

The pulse of the Digital Signage and DooH industry

invidis CONSULTING

invidis research
2015 GCC 600

DBCI GCC - 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 Integrated Systems Europe (ISE) and now also covers the Middle East region.
- Questions:
  - Current business situation: “good”, “satisfactory” or “poor”
  - Expectations for the next six months: “more favourable”, “unchanged” or “more unfavourable”
- **GCC** – first poll November/December 2015:
  - The GCC region (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates) is one of the Top 10 markets in the EMEA region for Digital Signage (in units of public displays), with a +30% YoY dynamic development across the region
  - DBCI GCC: **40,49** base points
  - **Over 80% of the polled companies** rate their current business situation as **good or satisfactory**
  - **67%** of the polled companies record a **positive outlook** for their business for the next six months

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Index | Digital Signage industry with positive business sentiment

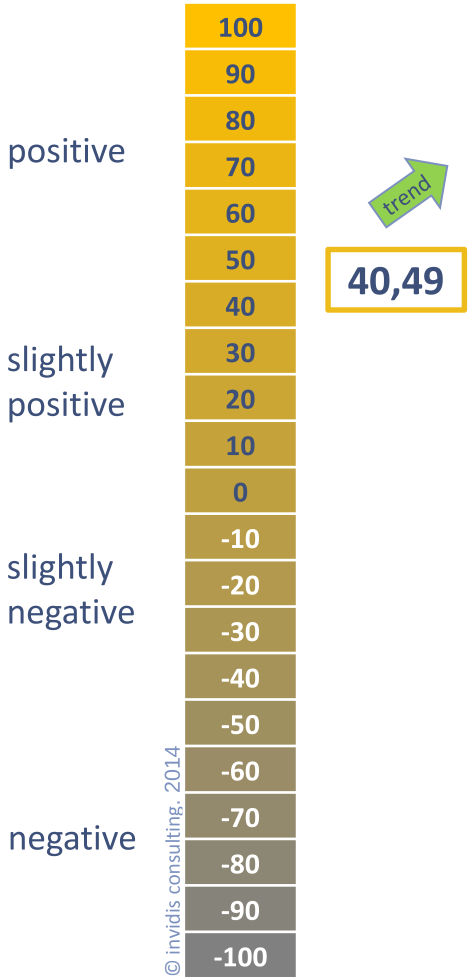

Fig. 1: DBCI GCC November | December 2015 n=21

- The Digital Signage Business Climate Index GCC has been surveyed for the first time in 2015. The index stands at 40,49 base points
- The positive outlook of the DBCI reflects the good business sentiment of the Digital Signage industry in the region
- The current business situation is rated positive or satisfactory by 81% off the polled companies.
- The outlook for the next sixth months is even better with 95% of the participants expecting a similarly good, if not even better situation for their products and services.
- Due to the drastic drop in the oil price the gulf economies have lost billions of dollars in export revenues. As this scenario is expected to remain for the upcoming future, government financed projects will become more challenging. However, in midterm robust growth in the non-oil sector and major events like Expo 2020 or FIFA Worldcup 2022 drive demand for digital signage.

Further Research

- The vertical markets of Retail & Shopping Malls, Education and Public/Government were the Top 3 markets for Digital Signage related products and services in the GCC region in the last sixth months (measured in number of projects)

Survey facts

- Participants: n=21
- Region: GCC region (Bahrain, Iran, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates)
- Time frame: 2016 calendar weeks 41-42

Status Quo | Positive current business situation

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

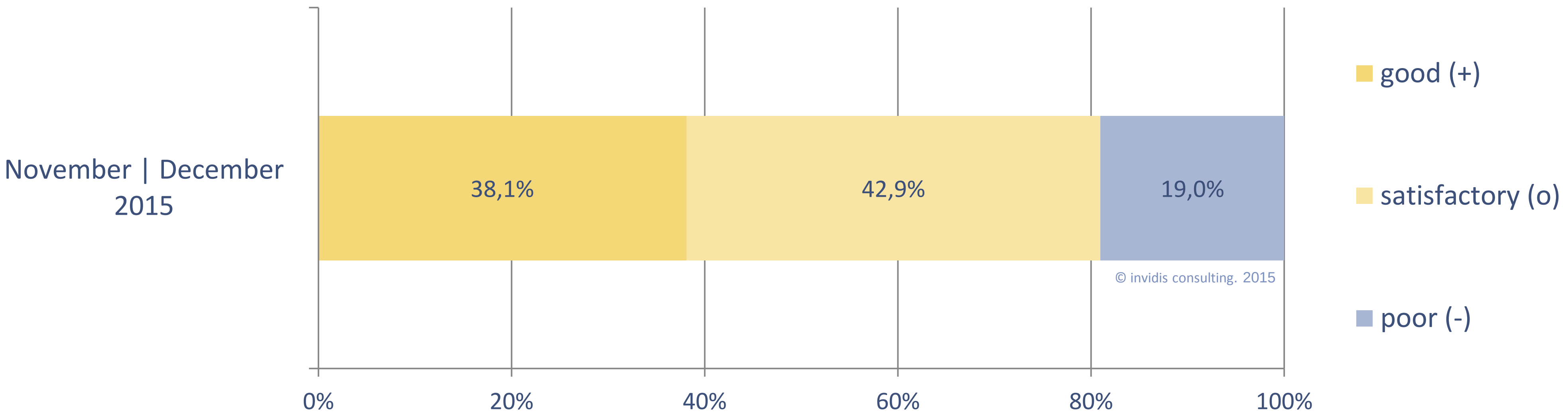

Fig. 2: DBCI GCC November | December 2015 “business situation”, n=21

Expectations | Very good outlook for the next six months

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

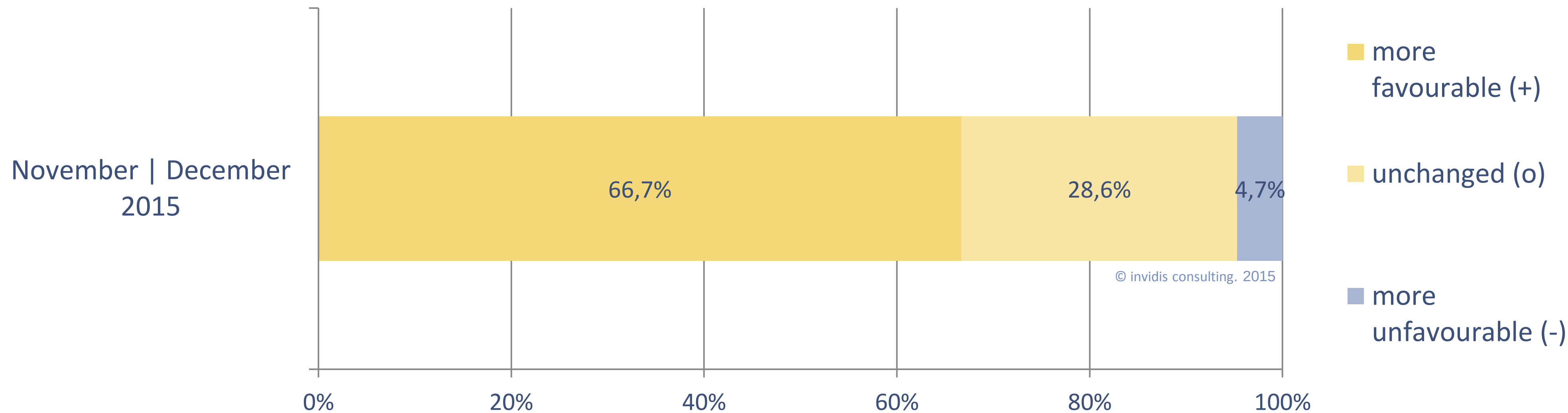

Fig. 3: DBCI GCC November | December 2015 "business expectations", n=21

Further research | Strong demand in Retail/Mall, Education & Public

Question: *We would like to assess the dynamic for Digital Signage in the different vertical markets. In which vertical markets has your company realised the most projects in the last 12 months? Please rate the Top 3 vertical markets?*

- Retail & Shopping Mall is with 16,6% of all digital signage revenues the biggest vertical market. Customer engagement, marketing, wayguiding and ambient installations become more and more common not only in most high-street retailers and shopping malls, but also in small and medium businesses. Important trends are full integration of signage by shop fitters and the high demand for shop window signage.
- Education is the second biggest vertical market. The trend towards the digital / paper-less communication in universities and schools is supported by the push for a change from mineral recourse exporting economy to a knowledge economy. This strategic goal has been emphasised by the gulf's political leaders.
- The third most successful target vertical for Digital Signage solutions is the public/government market. Government spendings for public projects like infrastructure or tourism are still highly important in the GCC region

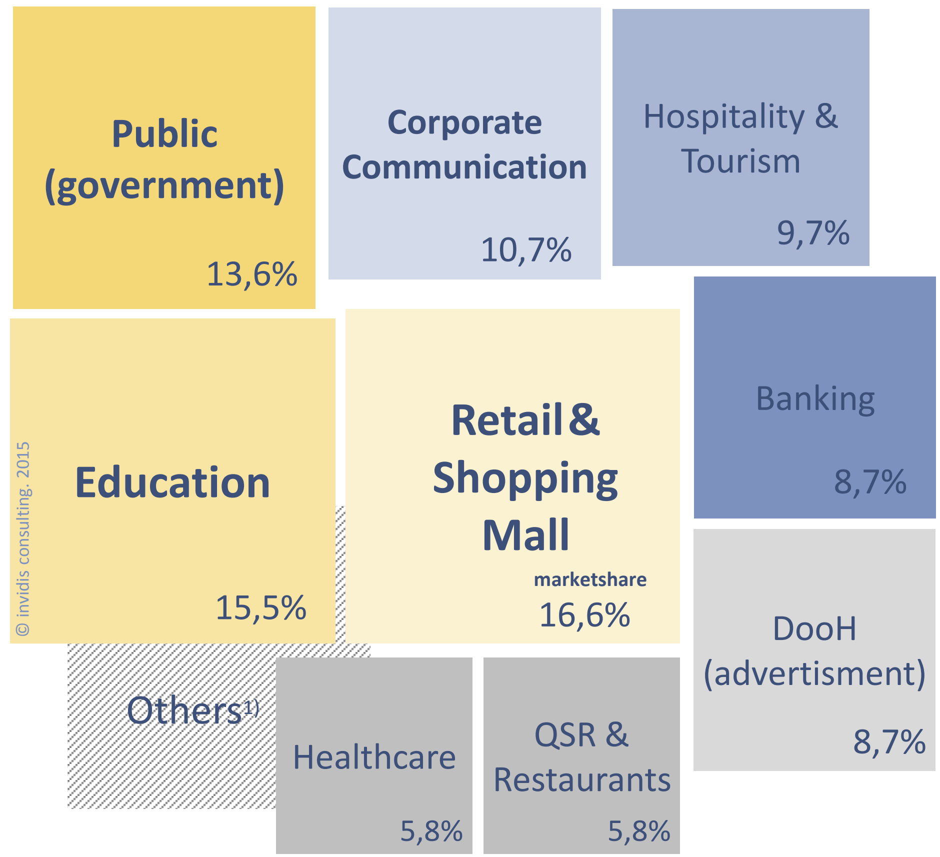

Fig. 4: DBCI GCC November | December 2015 "Top 10 vertical markets 2015", n=21
1) Transportation, Leisure (cinemas etc.), Telecommunication, Fairs & Exhibition, Industry (in production)

DIGITAL SIGNAGE SUMMIT MENA
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Statement: Florian Rotberg (CEO invidis consulting GmbH)

Florian Rotberg | CEO invidis consulting GmbH
(image: invidis)

State of the Industry

Even as the GCC is feeling the pinch of lower oil prices, and the strong dollar is dampening tourism, demand for digital signage remains robust. The main reason dozens of shopping mall projects are under construction, existing retail outlets are being upgraded with new digital touch points and governments are continuing massive infrastructure projects. Major events like Expo 2020 and FIFA World Cup 2022 are also driving demand.

But besides dozens of new projects in the GCC also Iran is waking up. After the lifting of sanctions – which are expected to begin in 2016 – a huge domestic market opens up to the digital signage industry in the region. More than 400 malls are currently being planned in the Islamic Republic, 60 alone in and around Teheran.

Installations are moving away from just being iconic to offering more value-add. Sensible Return-on-Invest (ROI) expectations including maintenance and content creation are more and more excepted. This is a necessary move in the right direction - without losing the focus on unique and cutting edge expectations of GCC customers.

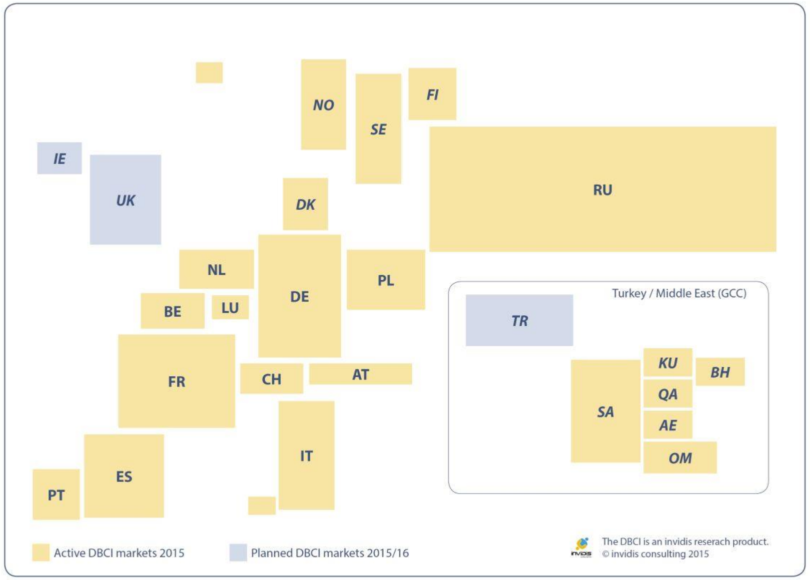
Most promising is a change of mindset in the region regarding more sustainable projects. Smoke and Mirror, hang and bang are slowly replaced by platform agnostic concepts with seamless user interface. The awareness is rising for dynamic content concept leveraging the potential of digital signage.

DBCI overview | EMEA markets

DBCI September/October 2015:

6 month trend		current sentiment
↗	Spain/Portugal:	67 bp
→	Denmark/Finland/Norway/Sweden:	63 bp
↗	Poland:	60 bp
↗	Germany/Austria/Switzerland:	60 bp
↘	The Netherlands/Belgium/Luxembourg:	57 bp
↗	France:	52 bp
↗	GCC:	40 bp
↗	Italy:	31 bp
↗	Russia:	5 bp

Bp = base points (Scale +100 to -100)



DBCI countries EMEA (image: invidis)

Digital Signage Summit MENA

Top 10 reasons to participate

1. DSS MENA is the regional offspring of the OVAB Munich Digital Signage Conference (since 2015 DSS Europe). The C-Level event is in its ninth year and EMEA's leading digital signage conference. It is the only international conference that bridges the gap between media (DooH) and technology (Digital Signage).
2. DSS MENA will put you in front of over 200 key international decision makers in the digital signage and DooH value chain.
3. DSS MENA offers a wide range of attractive sponsorship and exhibition opportunities.
4. DSS MENA is jointly produced by Integrated Systems Europe, the annual AV trade show and home to the world's largest group of digital signage exhibitors, and invidis consulting, one of EMEA's leading digital signage and consulting companies.
5. DSS MENA is a cost effective way for you to be part of an event that features over 20 exclusive experts in presentations, discussions, workshops, tours and networking opportunities.
6. DSS MENA is located at the Conrad Dubai in one of the city's most prestigious hotels right on SZR.
7. DSS MENA takes place in the UAE, the entry hub and most dynamic digital signage market in the GCC and home of EXPO 2020.
8. DSS MENA allows you to freely engage with senior industry delegates and speakers.
9. DSS MENA gives you the opportunity to meet and interact with OVAB, the established digital signage trade association.
10. DSS MENA connects you with invidis consulting and ISE thus providing you with the chance play a part in shaping the future of the international digital signage business.

Website: http://digitalsignagesummit.org/mena/

Integrated Systems Europe

The first Integrated Systems Europe (ISE) tradeshow was held in Geneva, Switzerland in February 2004. Since then, the annual event has grown from 120 exhibitors and 3,500 visitors, to a record-breaking 12th year that saw ISE 2015 welcome more than 1,000 exhibitors and almost 60,000 visitors through the doors of the Amsterdam RAI.

This further cements ISE's position as the world's fastest-growing and best-attended show for professional AV and electronic systems - setting the benchmark for other industry tradeshows.

As well as ISE, Integrated Systems Events LLC organises a series of industry conferences during the year. This includes Digital Signage Summits in Munich, Dubai and Moscow (DSS Europe, DSS MENA and DSS Russia), the Smart Building Conference (SBC) and the Capital Summit.

ISE 2016 will once again occupy all 14 halls of the Amsterdam RAI. For the first time, the show will grow from three to four days – a move that will support even more business, unearth even more opportunities and deepen ISE's impact as a must-attend industry event.

The show prides itself on attracting new attendees each year. In 2015, almost 40% of people who attended the exhibition were doing so for the first time. This is a solid endorsement of the show's pulling power and a major incentive for ISE exhibitors to return and tap into the new business opportunities being presented. We are confident that with our targeted marketing campaigns, designed to attract more people into the ISE fold, this trend will continue in 2016.

Maintaining its reputation for connecting new technologies, companies and end-user industries, ISE will continue to present an exciting show floor, featuring thousands of product launches, as well as a packed education and events programme.

Website: https://www.iseurope.org/

About invidis

- Munich-based boutique consulting & research firm
- EMEA-wide strategy consulting
- international digital signage / DooH research
- Invidis English news: http://invidis.de/english-news/

Munich Medien Brücke (image: invidis)

DBCI | Roadmap 2015 & Contact

2016	
January	Jan./Feb. | 2016/02/01
February	
March	Mar./Apr. | 2016/03/21
April	
May	May./Jun. | 2016/05/23
June	
July	Jul./Aug. | 2016/07/18
August	
September	Sep./Oct. | 2016/09/19
October	
November	Nov./Dec. | 2016/11/21
December	

- The next survey will take place in calendar week 3-4 of 2016
- The next planned publication date will be the 2nd of February 2016
- 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 2016. For further information please contact Daniel Russell

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