

Italy

September | October 2016

DBCI

The pulse of the Digital Signage
and DooH industry



Digital Signage & DooH
Business Climate Index

Cooperation partner Italy:



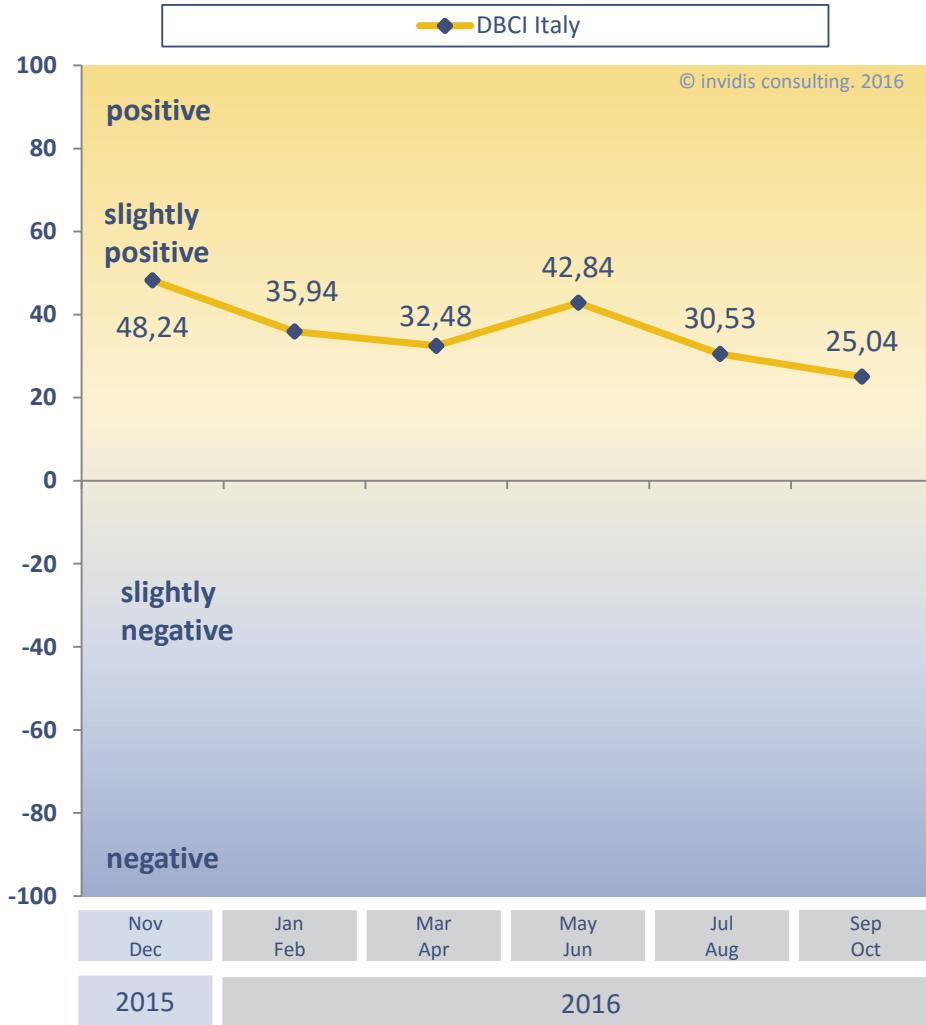
**DIGITAL
SIGNAGE
SUMMIT**

invidis research
2016 IT 500 en





Continuous decline in the Digital Signage sentiment in Italy



- The Digital Signage Business Climate Index in Italy remains on a reclining trend in autumn 2016. The index has seen a nominal decrease of 5,49 base points from 30,53 points to 25,04 base points. In total the Index is down by -19,7% year-on-year and -18,0% compared to the previous survey.
- Against the overall index trend, the current business situation shows an increased sentiment - with neutral ratings dropping significantly.
- But the outlook towards the near future registered relevant changes for the expectation of a *more favourable* business situation. Only half of the surveyed companies are expecting a better business situation for their products and services within the next six months.

Further Research

- The market participants have again underlined the high importance of the SMB market for Digital Signage, with three quarters of all revenues being generated in this sector
- The DooH industry sees a slow growth potential in programmatic buying for DooH until 2020.

change DBCI 2016 #5

year-on-year	previous survey
-19,7%	-18,0%

Fig. 1: DBCI Italy September | October 2016 „Index“, n=14

Participants: n=14; Region: IT; Survey Period: 2016 calendar weeks 40-41

More positive current business situation, but sceptical outlook

Current business Situation | Italy | September/October 2016 Expectations | Italy | September/October 2016

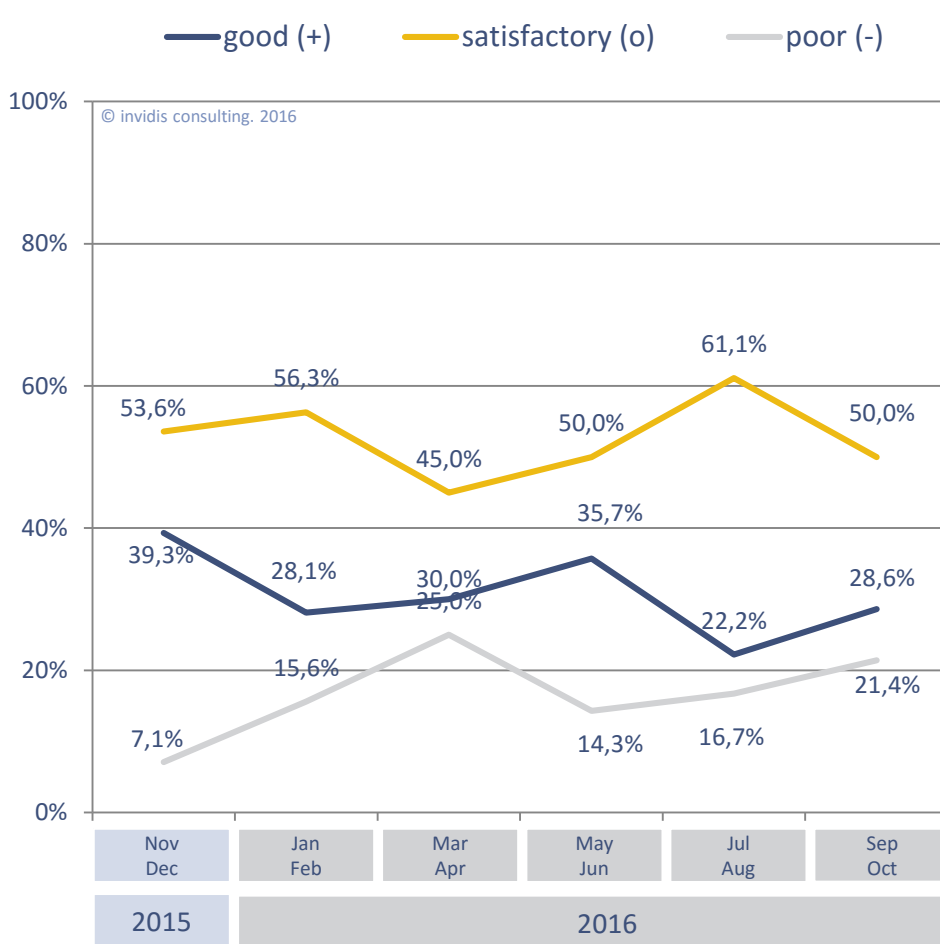


Fig. 2: DBCI Italy September | October 2016 „Business Situation“ rolling 12 months, n=14

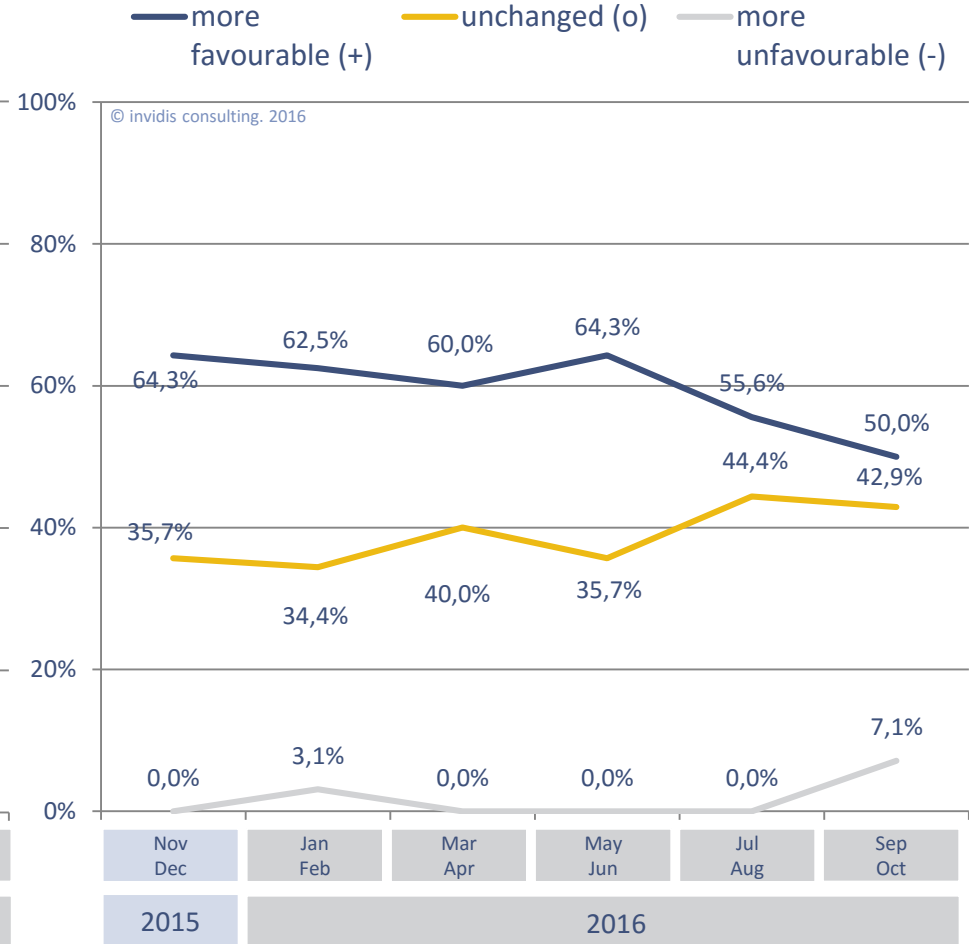


Fig. 3: DBCI Italy September | October 2016 „Expectations“ rolling 12 months, n=14



 Further research | The SMB sector drives Digital Signage revenues

Question: How many projects did your company roll out in the following categories in 2015?

- Almost 90% of all DS projects in 2015 were small and medium installations with up to 50 displays
- Smaller projects have a higher margin and can be carried out successfully by most players in the market
- Falling hardware prices created a high demand for easy-to-use Digital Signage solutions in the SMB sector
- Only under 10% of all Digital Signage networks are larger than 100 displays
- Large projects generate high revenues, but discounts increase with the number of hardware used and tear into the margin. Moreover, only few market participants can sustainably carry out projects with over 100 displays.
- Over the last three years the split has remained very consistent.

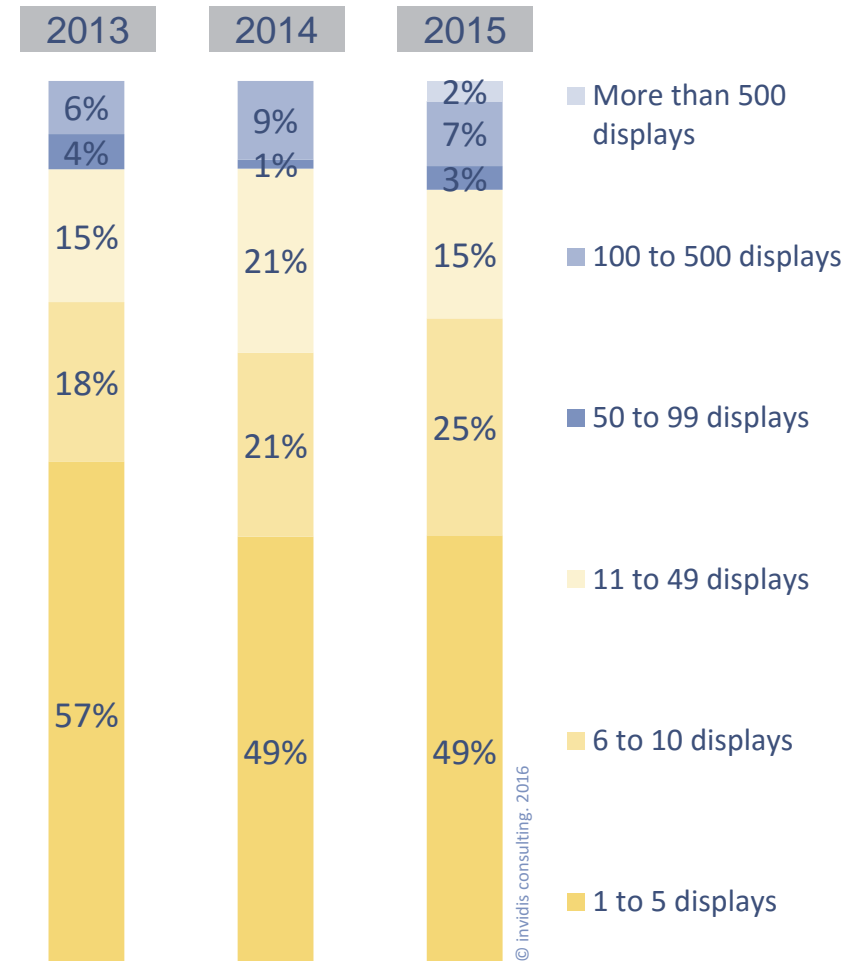


Fig. 4: DBCI Italy September | October 2016 „project sizes 2013-15“, n=13



Further research | Slow growth for programmatic buying in DooH expected

Forecast market share programmatic buying DooH in 2017

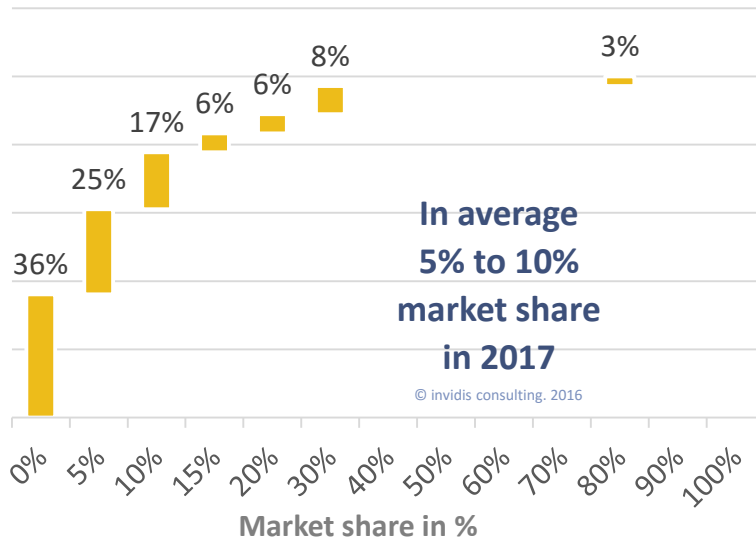


Fig. 5: DBCI Italy September | October 2016 "market share programmatic 2017", n=12

Forecast market share programmatic buying DooH in 2020

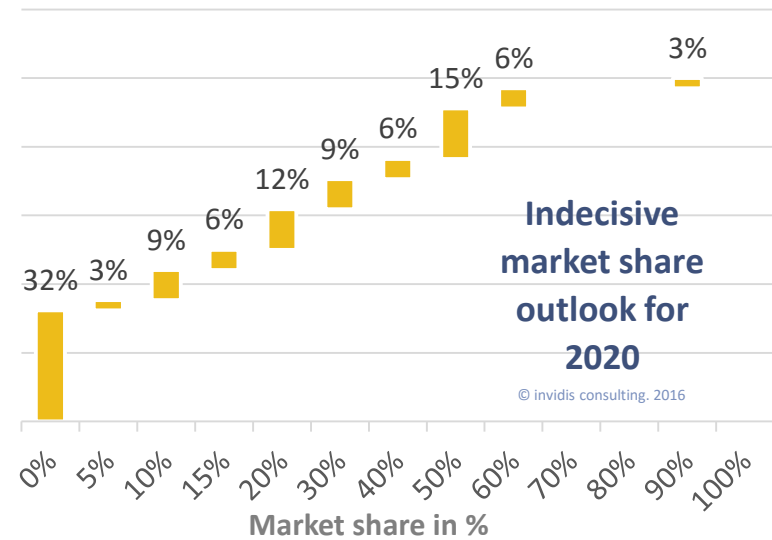


Fig. 6: DBCI Italy September | October 2016 "market share programmatic 2020", n=12

Question: How high do you expect will be the percentage of revenues generated from programmatic buying compared to your total revenues?

- The market players see a slow growth potential in programmatic buying for DooH. They expect that the market share will reach approximately 5% in 2017. The picture for 2020 is much more indecisive as the survey participants are very undecided in their assessment.
- Also many polled companies remain sceptical of the potential for programmatic buying in DooH. One third of the market expects no effects at all, even in the future. While the business concept has some definite potential, there are still many technical issues to be solved.



Roadmap 2016 & Contact

2016
March
April
March
April
May
June
July
August
September
October
November
December

← DBCI Nov./Dec. | WN50

OVAB Europe will be rebranded as Digital Signage Federation Europe starting with the 1st April 2016

- The next survey will take place in calendar weeks 48-49
- The next planned publication date will be in week 50
- The DBCI is polled by invidis consulting and published in cooperation with DSF 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.

Contact:

Daniel Russell | Research Analyst
 invidis consulting GmbH
 Rosenheimer Str. 145e
 DE-81671 Munich
 Daniel.Russell@invidis.com
 Phone: +49 89 2000416-21
 Mobile: +49 151 62438503



DSS | The Digital Signage Summit series



- «Digital Signage Summit» new brand for event series
- DSS is a dedicated confex event platform - conference and exhibition - featuring digital signage and DooH topics
- Each event features visionary and best practise presentations as well as panel discussions concerning the most recent state of the art projects, trends and drivers of the industry
- All events also have a dedicated exhibition space for product presentation and networking opportunities

A JOINT VENTURE BETWEEN:

Integrated Systems Events

invidis CONSULTING