

GCC

September | October 2016

DBCI

The pulse of the Digital Signage
and DooH industry



Digital Signage & DooH
Business Climate Index



**DIGITAL
SIGNAGE
SUMMIT**

invidis research
2016 GCC 500



invidis
CONSULTING

Increasingly positive sentiment towards the end-of-year business



- Since the last survey in July the Digital Signage Business Climate Index in the GCC region has turned around the trend and increased from 27,75 base points by 11,10 base points to 38,85 base points. In total the Index is up by 40% compared to the previous survey.
- The positive assessment of the current business situation for products and services in the Digital Signage and Digital-out-of-Home industry has grown and dominates the index Together with a slight decline of the negative assessment it is responsible for the overall positive trend of the index. Currently almost half of all market participants are satisfied and well over 50% also expect the business climate to change towards a more favourable situation 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 medium growth potential in programmatic buying for DooH until 2020.

change DBCI 2016 #5 **+40%** previous survey

Fig. 1: DBCI GCC September | October 2016, n=18

Participants: n=18; Region: FR; Survey Period: 2016 calendar weeks 38-39

More enthusiastic current business situation & outlook

Current business Situation | GCC | September/October 2016

Expectations | GCC | September/October 2016

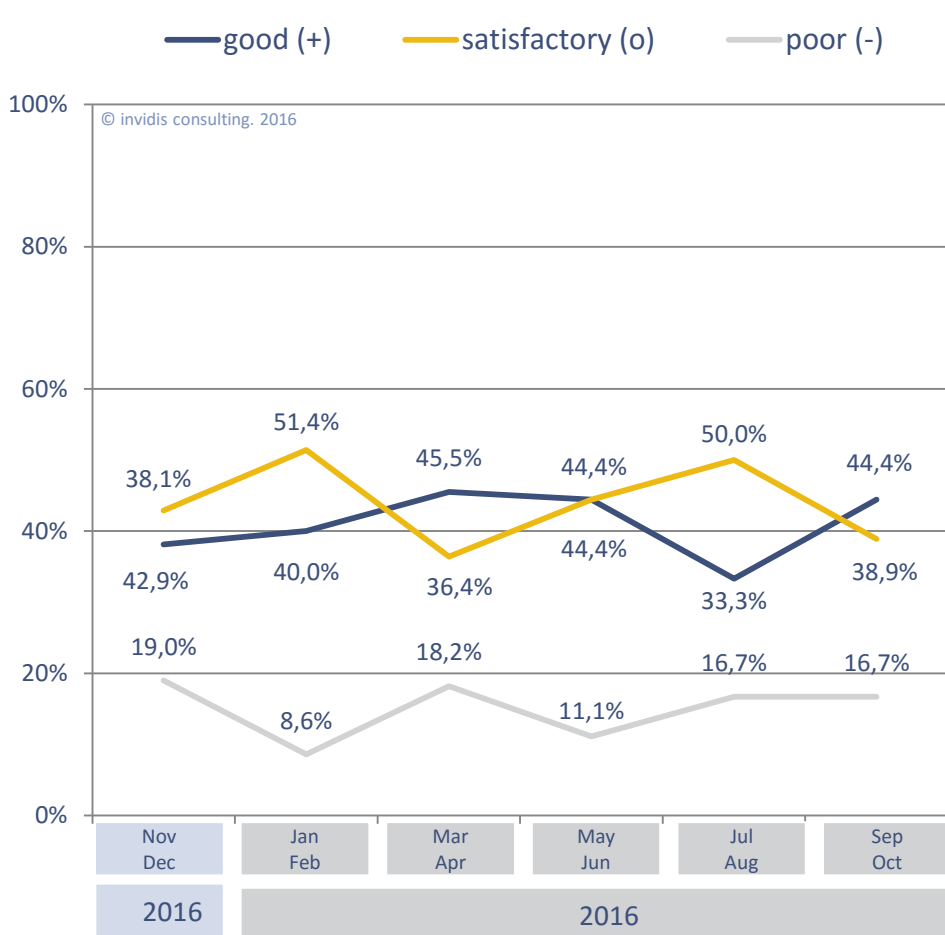


Fig. 2: DBCI GCC September | October 2016 „Business Situation“, n=21

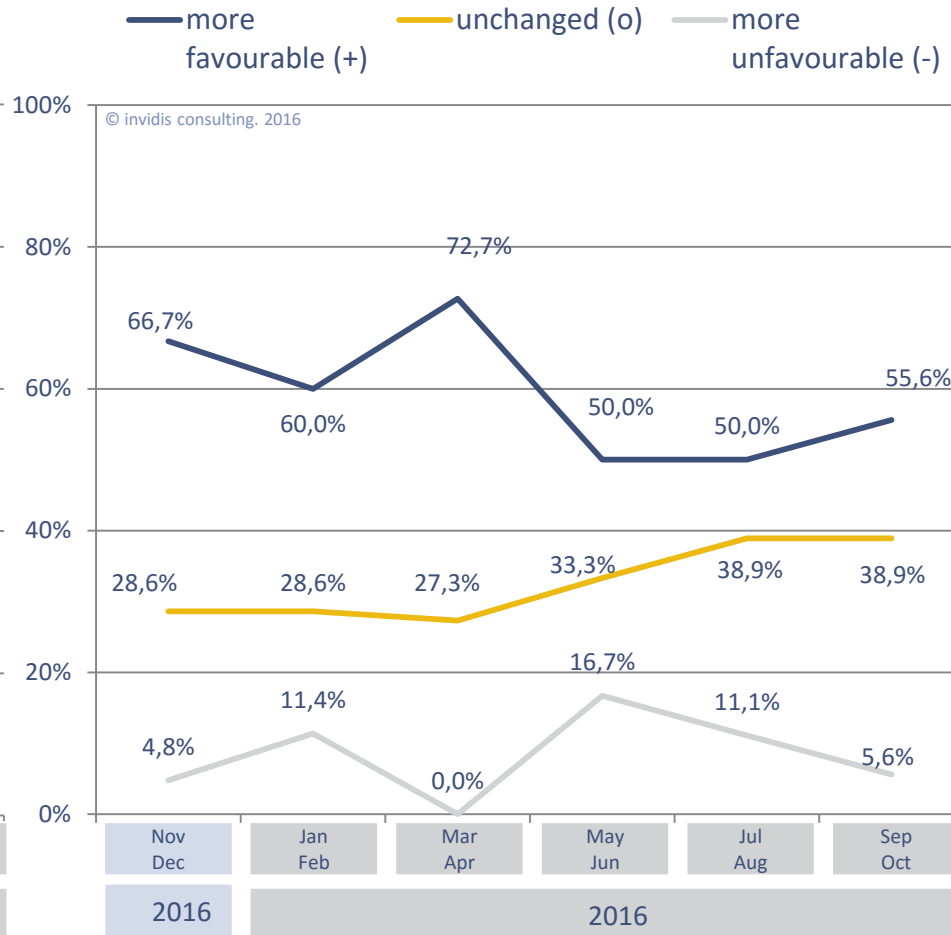


Fig. 3: DBCI GCC September | October 2016 „Expectations“, n=18

Further research | The SMB sector drives Digital Signage revenues

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

- Three quarters 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 12% 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.

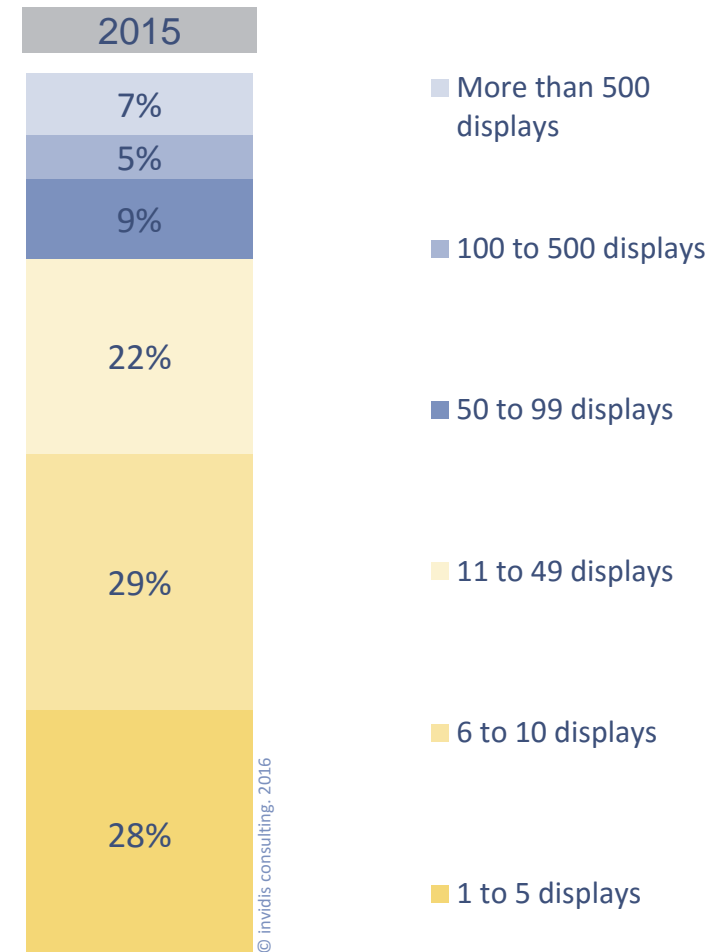


Fig. 4: DBCI GCC September | October 2016 „project sizes 2015“, n=15

Further research | Medium growth for programmatic buying in DooH expected

Forecast market share programmatic buying DooH in 2017

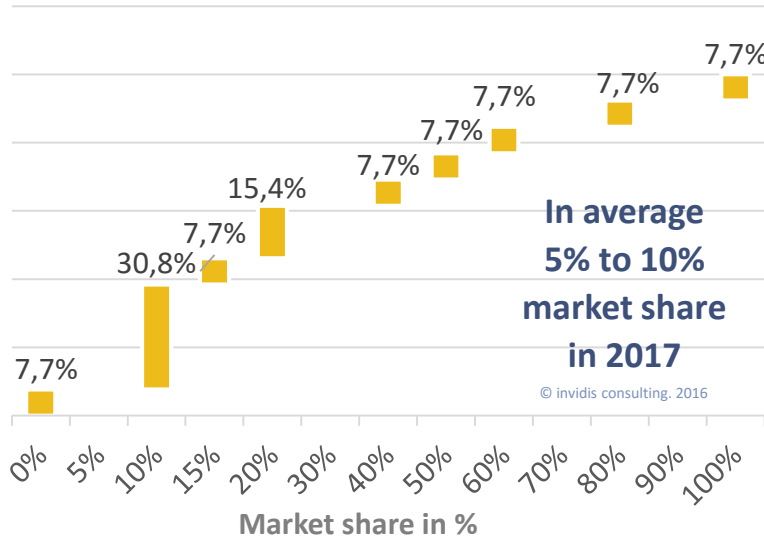


Fig. 5: DBCI GCC September | October 2016 "market share programmatic 2017", n=12

Forecast market share programmatic buying DooH in 2020

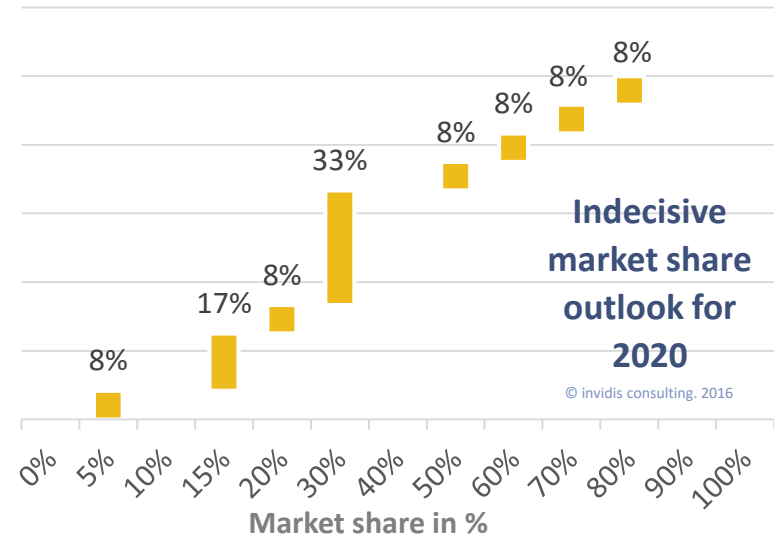


Fig. 6: DBCI GCC September | October 2016 "market share programmatic 2020", n=12

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 medium growth potential in programmatic buying for DooH. They expect that the market share will reach approximately 10% in 2017. The picture for 2020 is more indecisive as the survey participants are undecided in their assessment.
- Overall the polled companies remain optimistic of the potential for programmatic buying in DooH. Yet while the business concept has some definite potential, there are still many technical issues to be solved.

DBCI | Roadmap 2016 & Contact

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

← DBCI Nov./Dec. | WN49

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

- The next survey will take place in calendar week 50-51
- The next planned publication will be in week 51
- 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

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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