Germany
Austria
Switzerland
November | December 2015

DBCI

Digital Signage & DooH
Business Climate Index

The pulse of the Digital Signage and DooH industry

OVAB cooperation partner Switzerland:

invidis research
2015 DE 600 en

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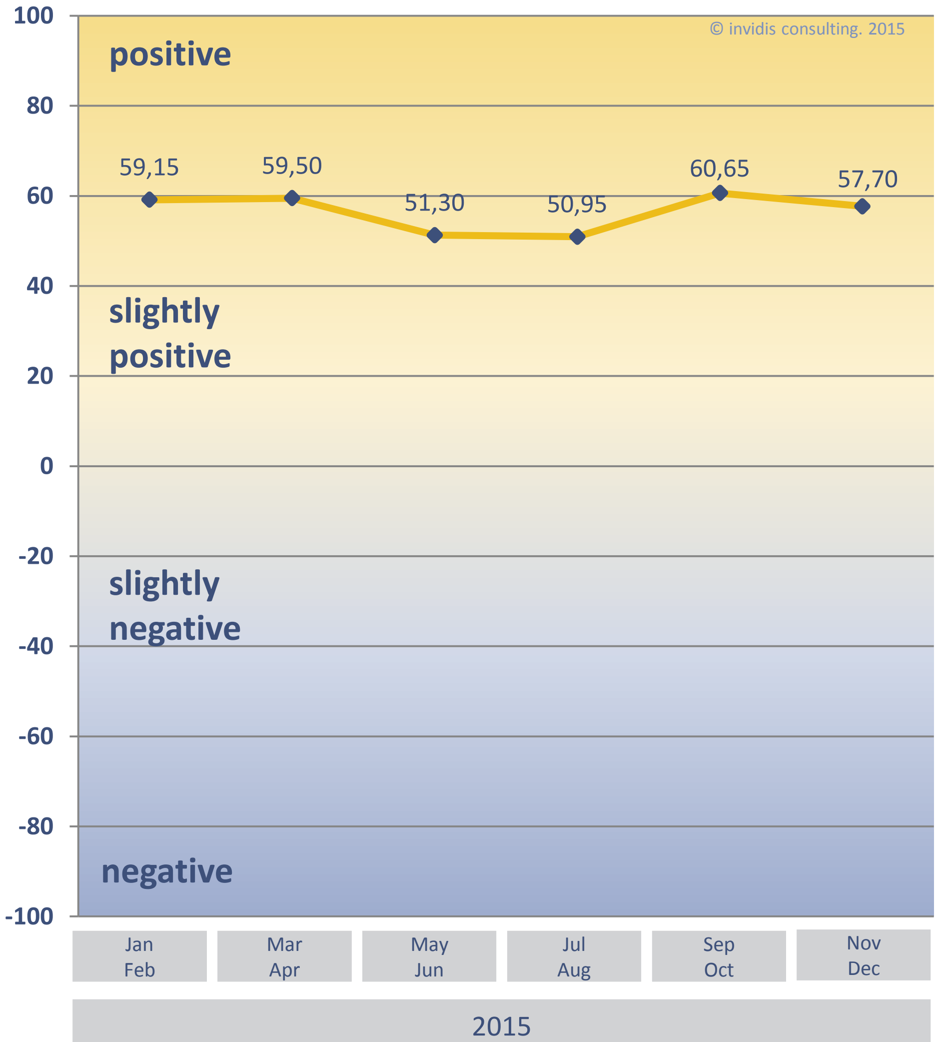


Fig. 1: DBCI November | December 2015 „Index DE-AT-CH" rolling 12 months, n=138

- The Digital Signage Business Climate Index decreased marginally by 2,95 base in November 2016 by 2,95 base points to 57,70 base points.
- The current business situation has been rated more satisfactory by market participants - with negative ratings decreasing by an additional 1,1%. The general economy and the IT industry is still confident of reaching the forecasted growth rate.
- The optimism towards the near future saw a slight correction. As 3% of the polled companies expecting a *more favourable* situation in September have now an unchanged or respectively negative outlook for their products and services for the next six months.

Further Research

- The most important digital signage distributors in Germany are Ingram Micro, followed by ALSO, Tech Data, Delo and Comm-Tec. In Austria and Switzerland the distributor market is dominated by national champions. In Austria the most important companies are Omega and SoLoIT, in Switzerland they are MobilePro, Littlebit and Telion

Participants: n=138; Region: DE/AT/CH; Survey Period: 2015 calendar weeks 45-46

DE-AT-CH | Current business situation & outlook more conservative

Business Situation | DE-AT-CH | November/December 2015

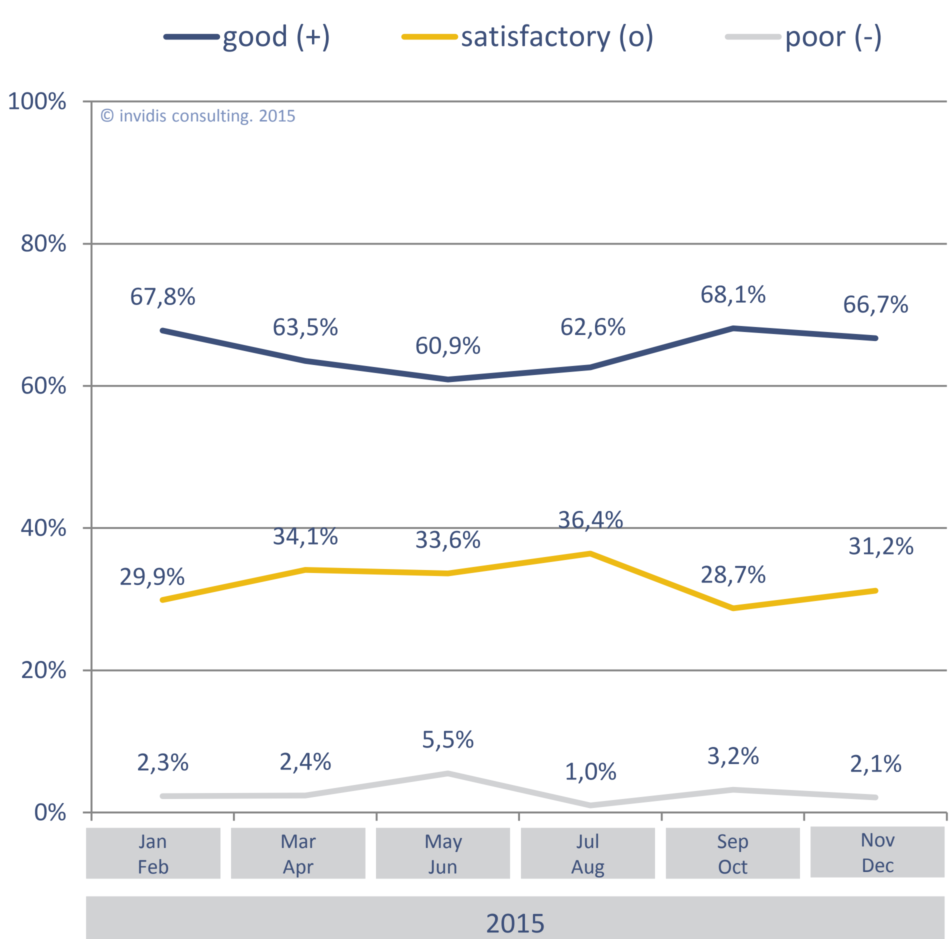


Fig. 2: DBCI November | December 2015 „Business Situation DE-AT-CH" rolling 12 months, n=138

Expectations | DE-AT-CH | November/December 2015

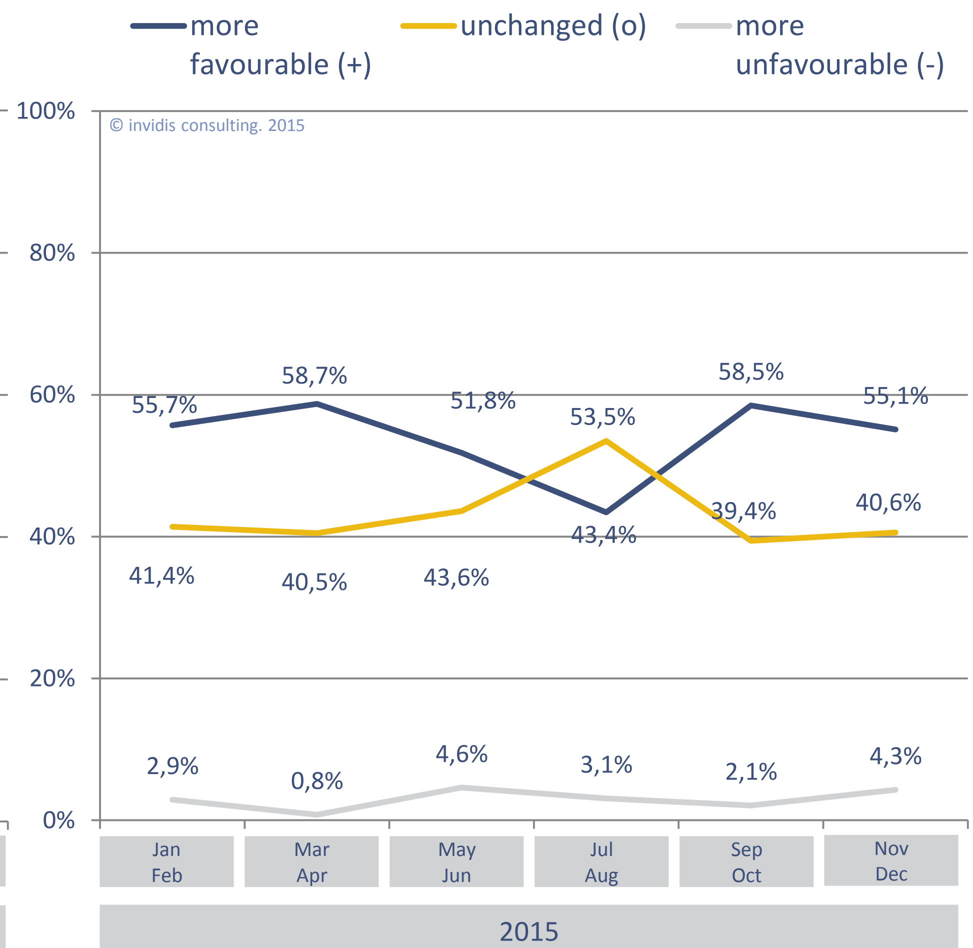


Fig. 3: DBCI November | December 2015 „Expectations DE-AT-CH" rolling 12 months, n=138

DE-AT-CH | Positive answers increase for business situation; outlook more pessimistic

Business Sentiment| DE-AT-CH | November/December 2015	Expectations | DE-AT-CH | November/December 2015

Fig. 4: DBCI November | December 2015 „Business Sentiment DE-AT-CH" rolling 12 months, n=138

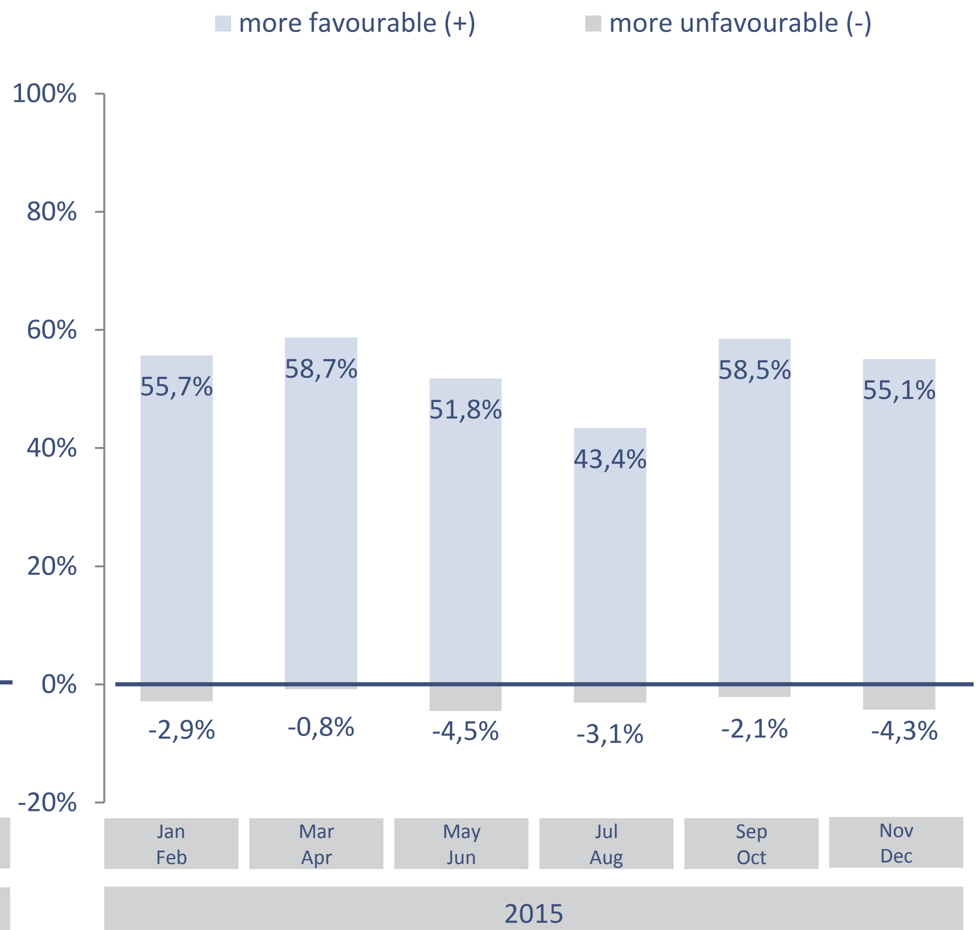


Fig. 5: DBCI November | December 2015 „Expectations DE-AT-CH" rolling 12 months, n=138

Countries | Positive business sentiment back over 40 bp in all markets

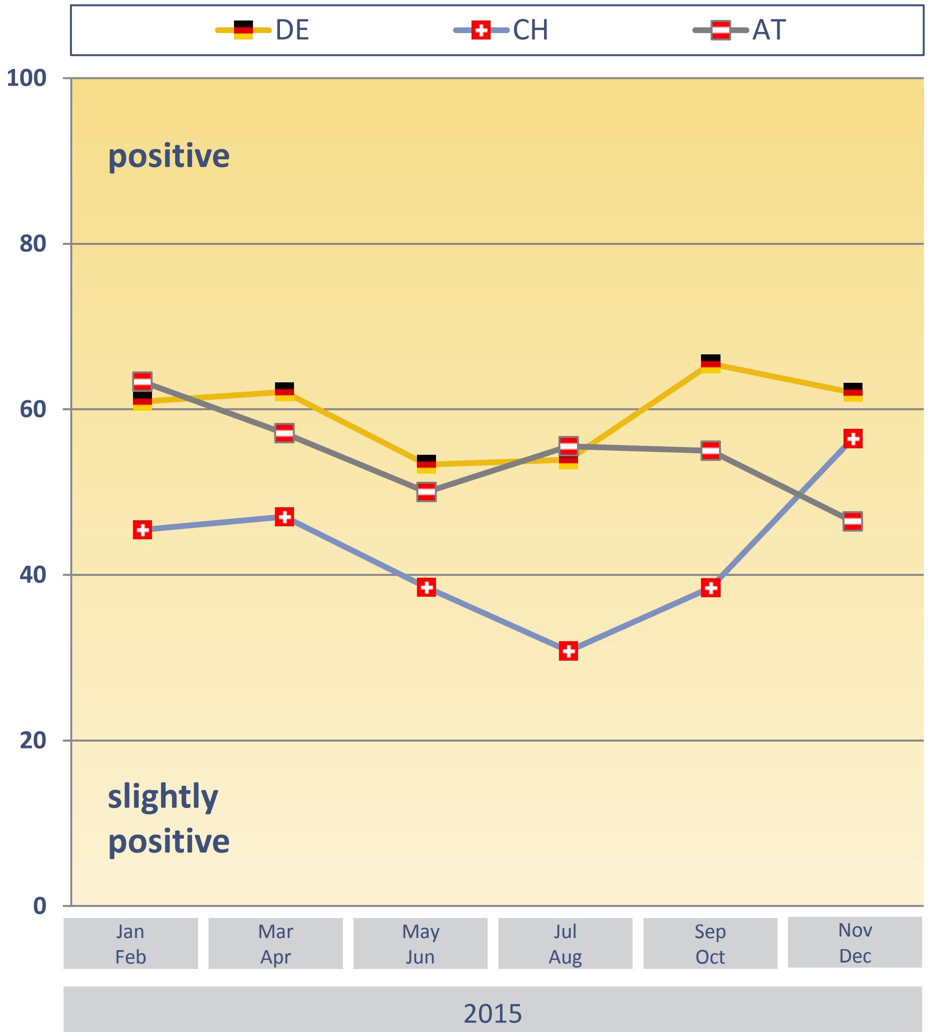


Fig. 6: DBCI November | December 2015 „Index DE-AT-CH" rolling 12 months, DE 79, CH 31, AT 28

- Since the last survey the business climate in the German Digital Signage market has decreased marginally. The confidence in the current business situation and the outlook for the next six months recorded a slight decline. Despite the minimal decrease in the business sentiment, the Digital Signage industry still has very positive expectations for the market potential. Particularly expectations for the historically robust end-of-year business are high.
- Since the start of the year the business sentiment in Austria has been volatile with a slow downward trend. The current business situation is seen very positive by the participants. However, the expectations for the next year are more conservative.
- In Switzerland the business climate in the Digital Signage market has further increased strongly. Particularly the negative assessment of the current business situation as well as the outlook for the near future saw a definite decline. After the general economy in Switzerland has adapted to the new currency exchange rate level of the Swiss Franc, business has again picket up speed, particularly in the IT industry.

Germany | Business situation & outlook with marginal correction

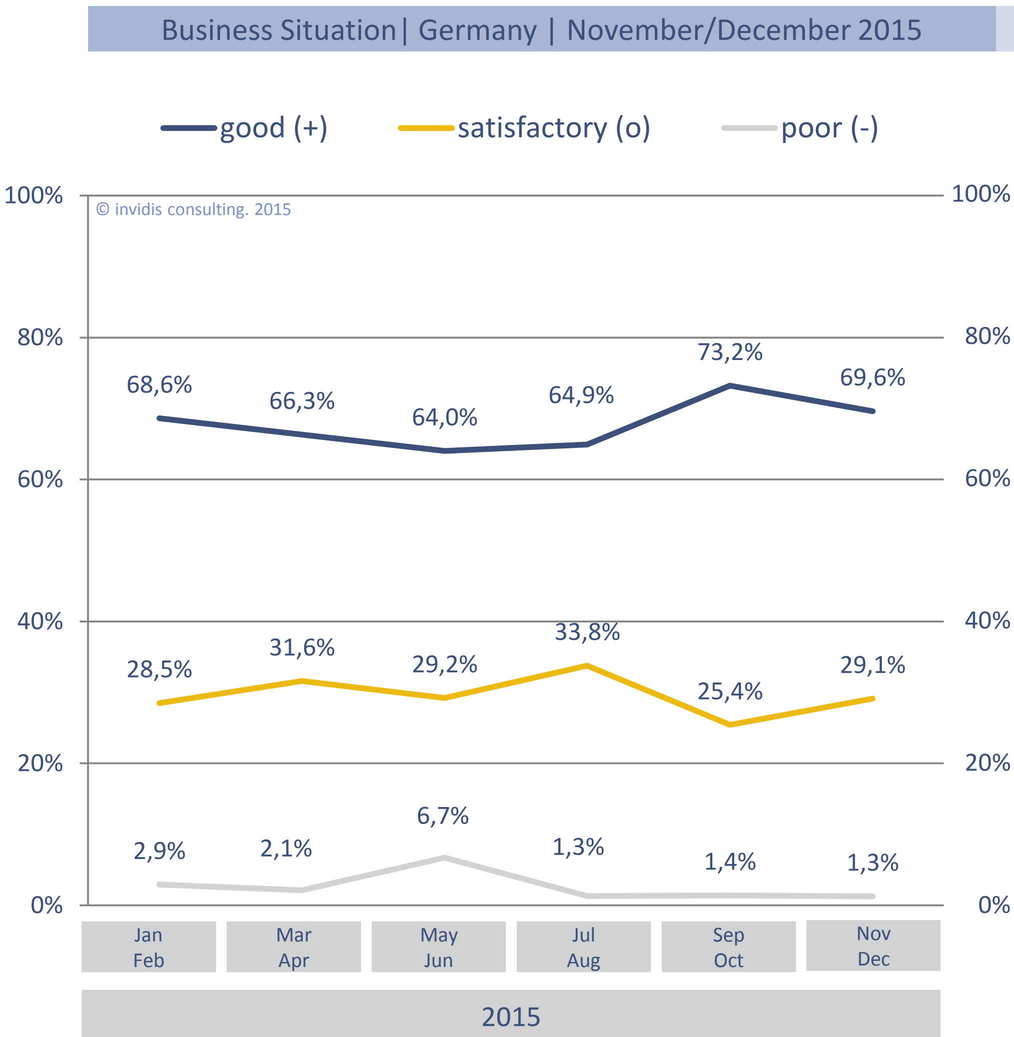


Fig. 7: DBCI November | December 2015 „Business Situation Germany" rolling 12 months, n=79

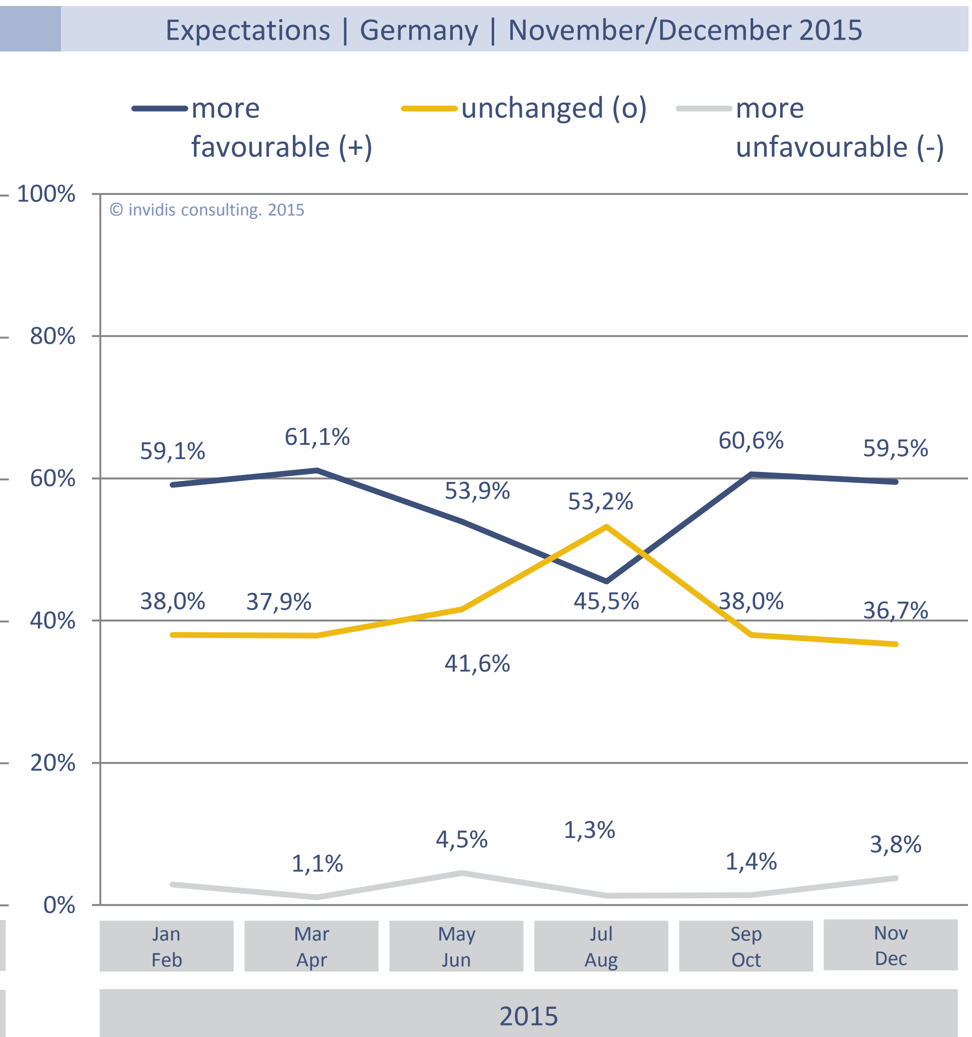


Fig. 8: DBCI November | December 2015 „Expectations Germany" rolling 12 months, n=79

Austria | Increased business situation, but more conservative outlook

Business Situation | Germany | November/December 2015

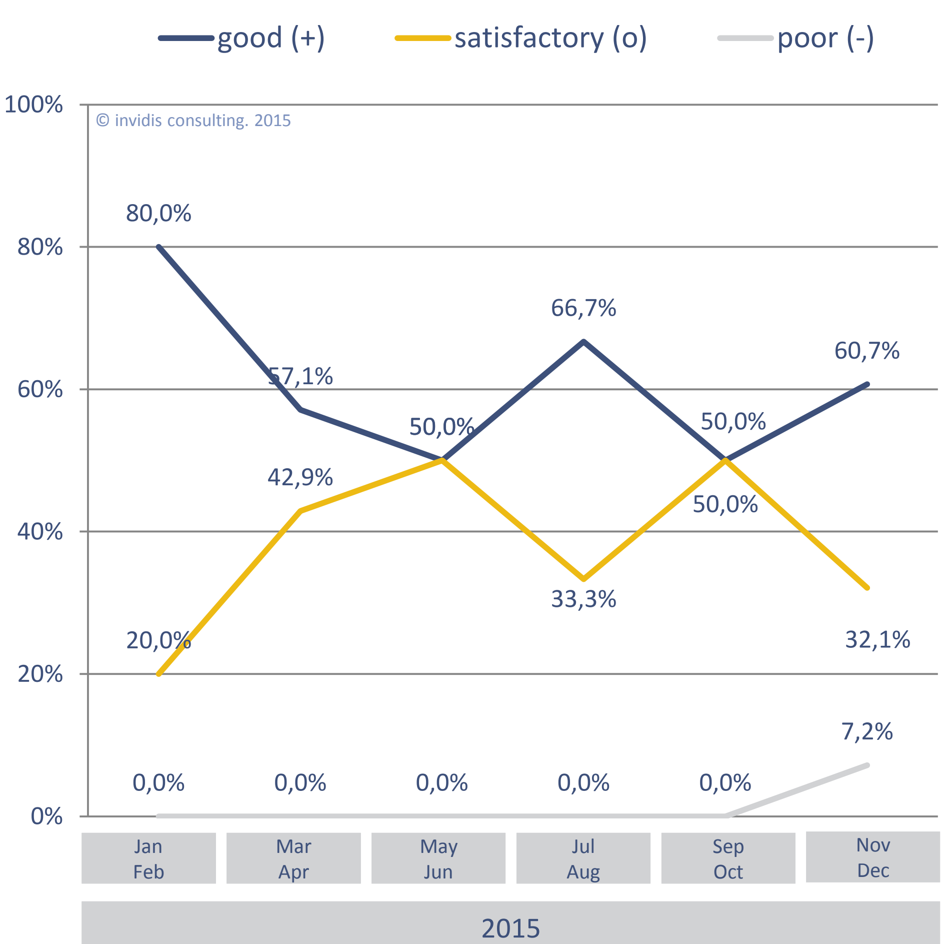


Fig. 9: DBCI November | December 2015 „Business Situation Austria" rolling 12 months, n=28

Expectations | Germany | November/December 2015

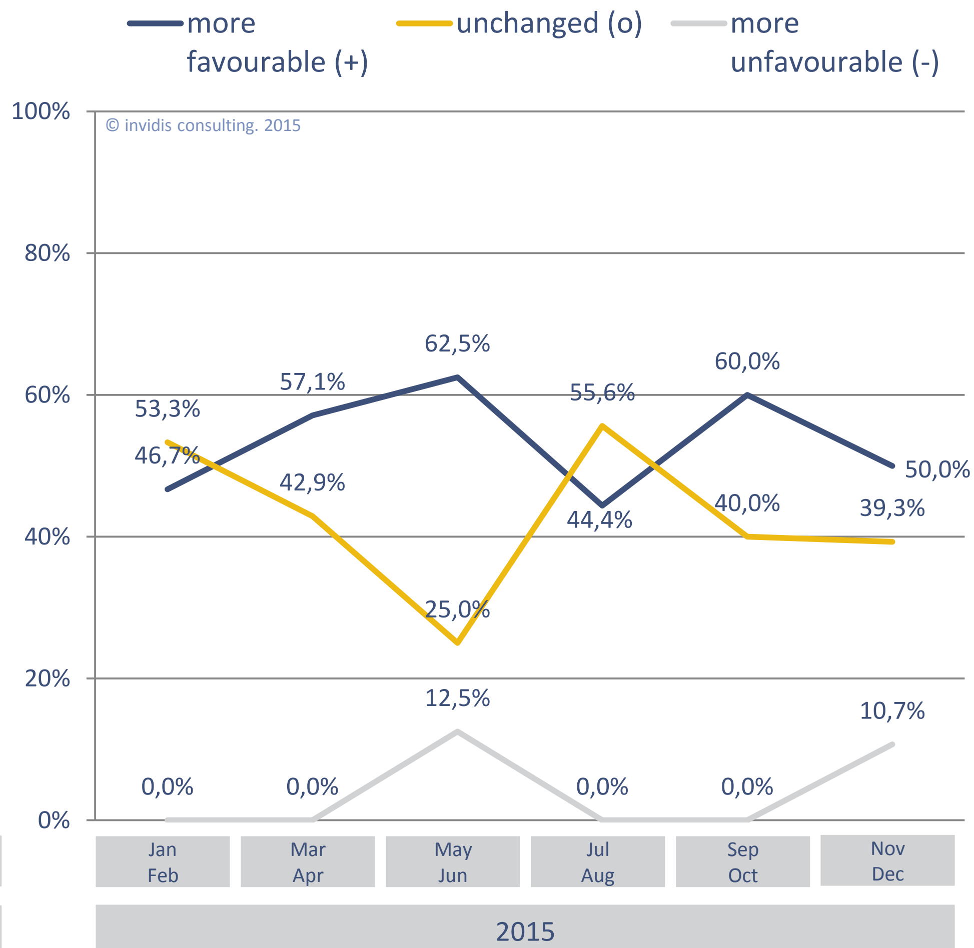


Fig. 10: DBCI November | December 2015 „Expectations Austria" rolling 12 months, n=28

Switzerland | Business situation & outlook with markedly positive trend

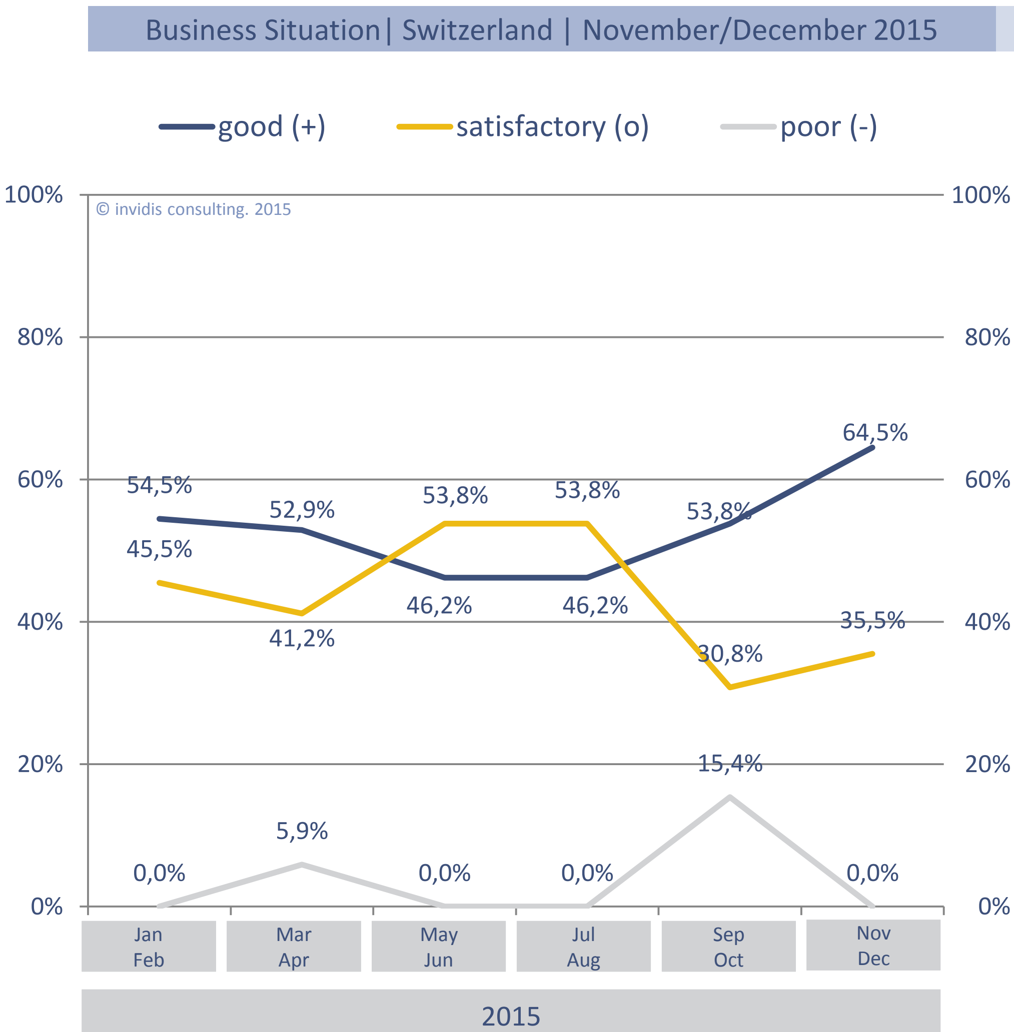


Fig. 11: DBCI November | December 2015 „Business Situation Switzerland" rolling 12 months, n=31

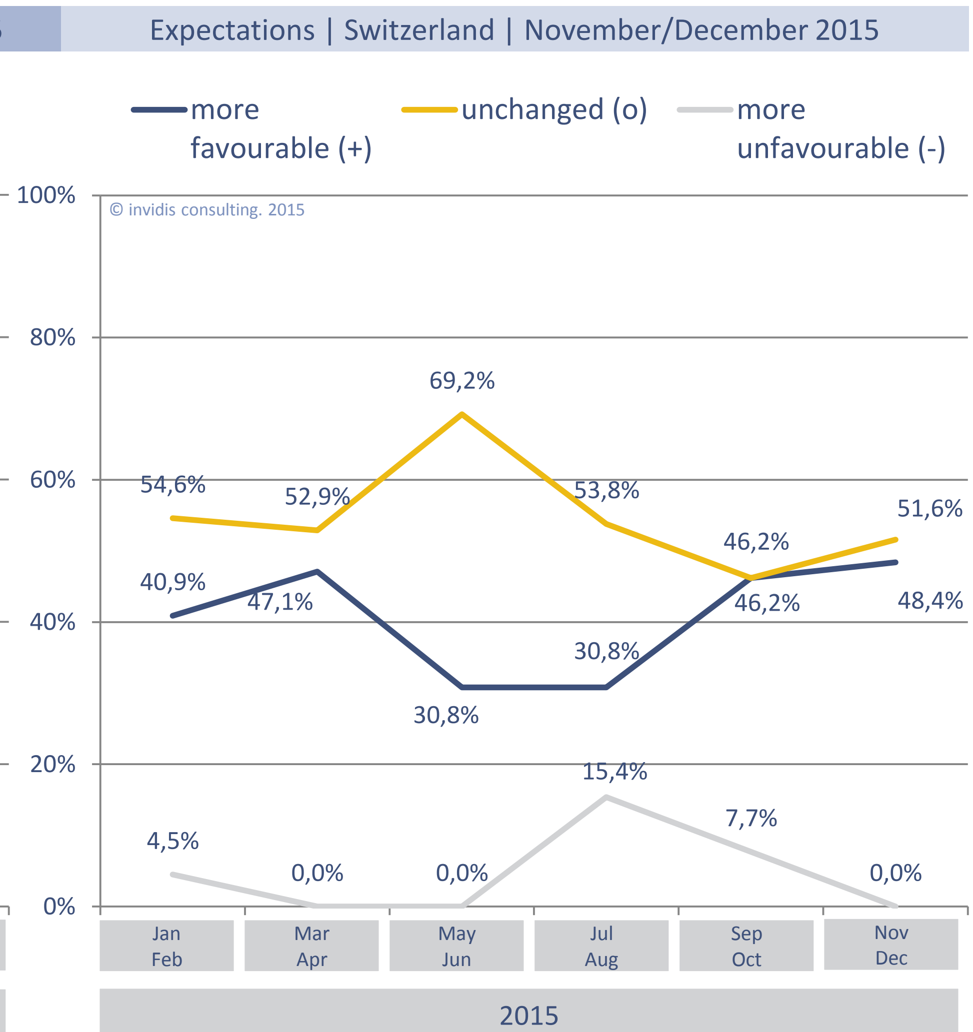
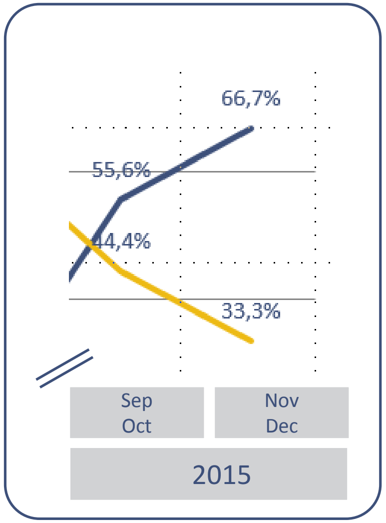


Fig. 12: DBCI November | December 2015 „Expectations Switzerland" rolling 12 months, n=31

Segments | Consolidation dominates Display industry in 2014

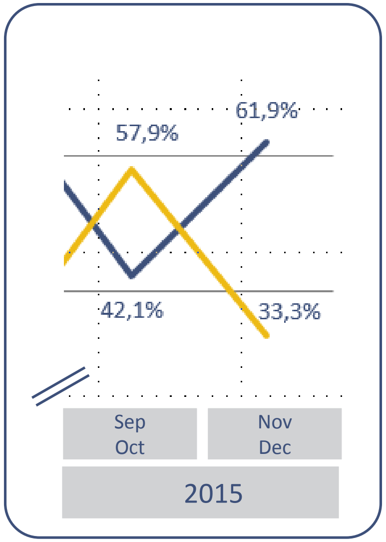


Displays

more favourable (+)

no change (o)

Fig. 13: DBCI November | December 2015 "Expectations Displays", n= 9



DooH

good (+)

satisfactory (o)

Fig. 14: DBCI November | December 2015 "Business situation DooH", n=21

- The business sentiment of the **display vendors** remains on an upwards trend. Since the summer the positive outlook for the next six months has grown by over 40%. Traditionally demand in the display business is the highest in the first and fourth quarter.
- The **System Integrators** show a consistent positive trend in their view of the market. Almost all surveyed companies record a satisfactory or good current business situation.
- Like the display vendors, the **software** market saw a further increased current business climate. In particular the *more favourable* expectations for the six month outlook have clearly grown since the summer.
- The **DooH** industry rates the current business situation as very good. The percentage of market participants having a positive view on the market increased by almost 20% since the last survey. Like in the past years the industry has grown with a healthy margin. The latest financial results from the industry support this positive sentiment. Moreover, after a 18 month period with relatively few roll outs of new networks or existing networks being expanded, the market will see strong investments in 2016. The big players Ströer and WallDecaux will significantly increase their portfolio with roadside LED megalight displays and digital columns in high frequency locations

Displays | Highly rated business situation & very optimistic outlook

Business Situation | Displays | Jul/Aug 2015

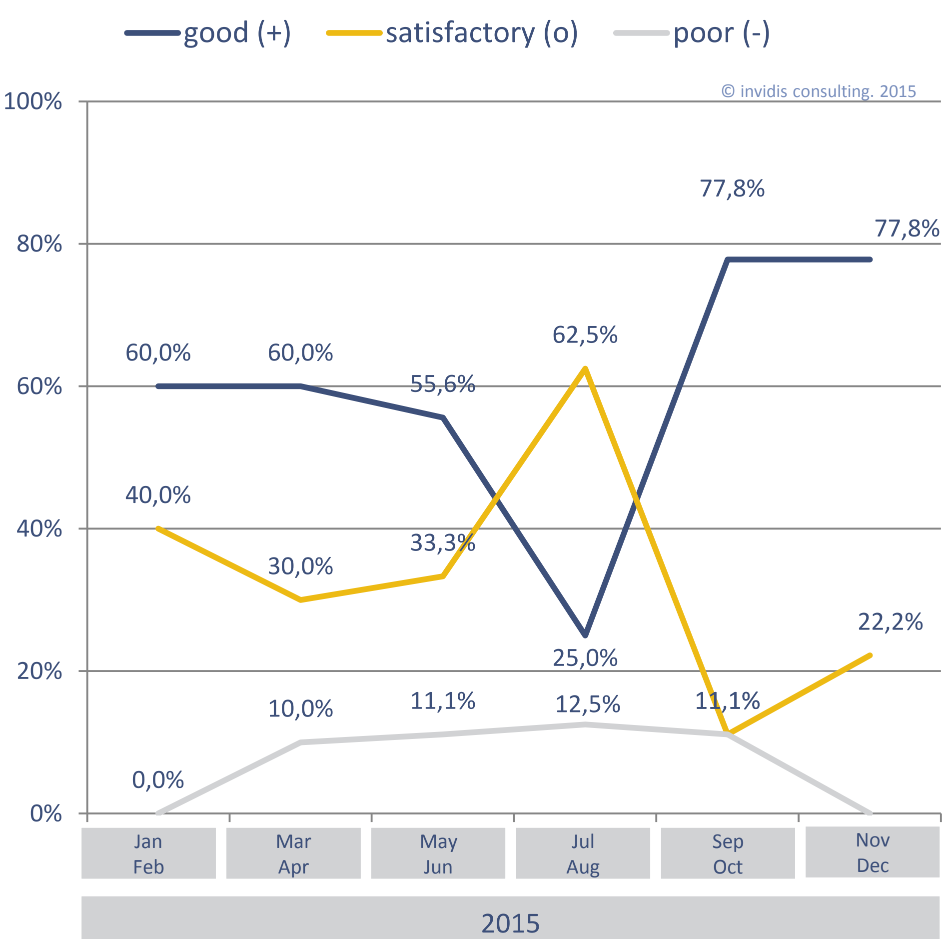


Fig. 15: DBCI Jul | Aug 2015 „Business Situation Displays" rolling 12 months, n=9

Expectations | Displays | Jul/Aug 2015

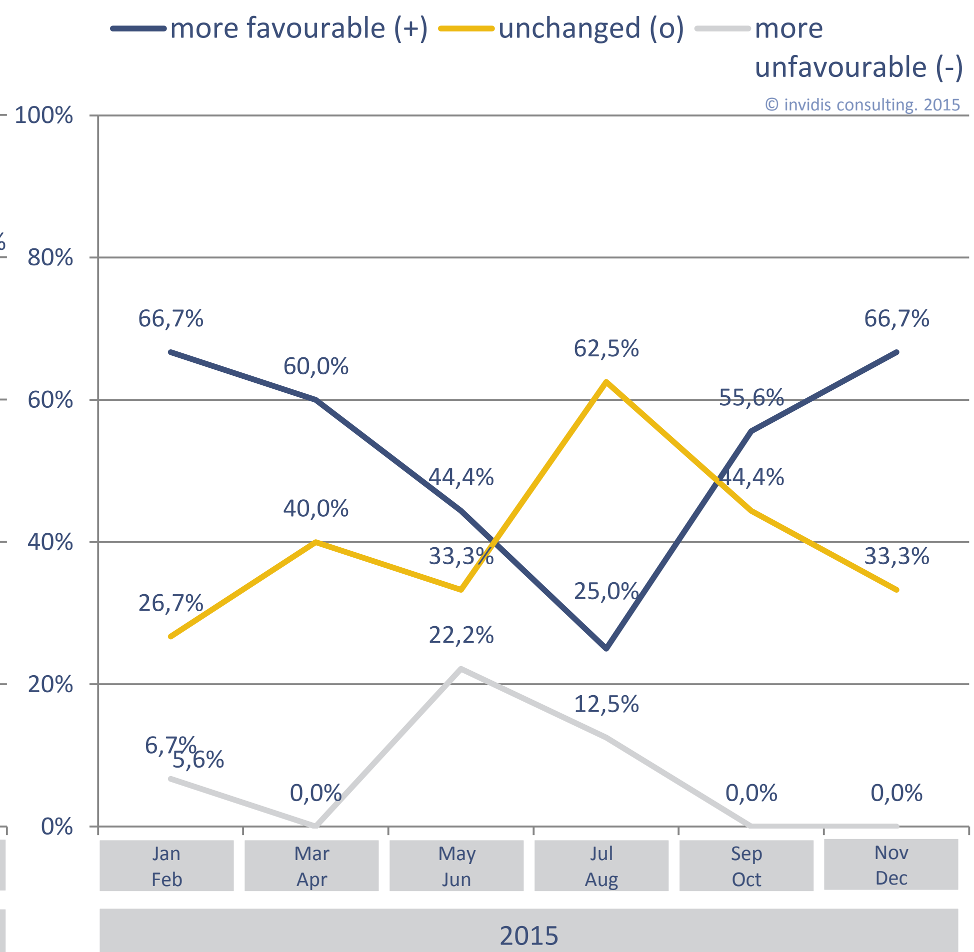


Fig. 16: DBCI Jul | Aug 2015 „Expectations Displays" rolling 12 months, n=9

Integrators | Further increased business situation & robust six month outlook

Business Situation | Integrators | November/December 2015

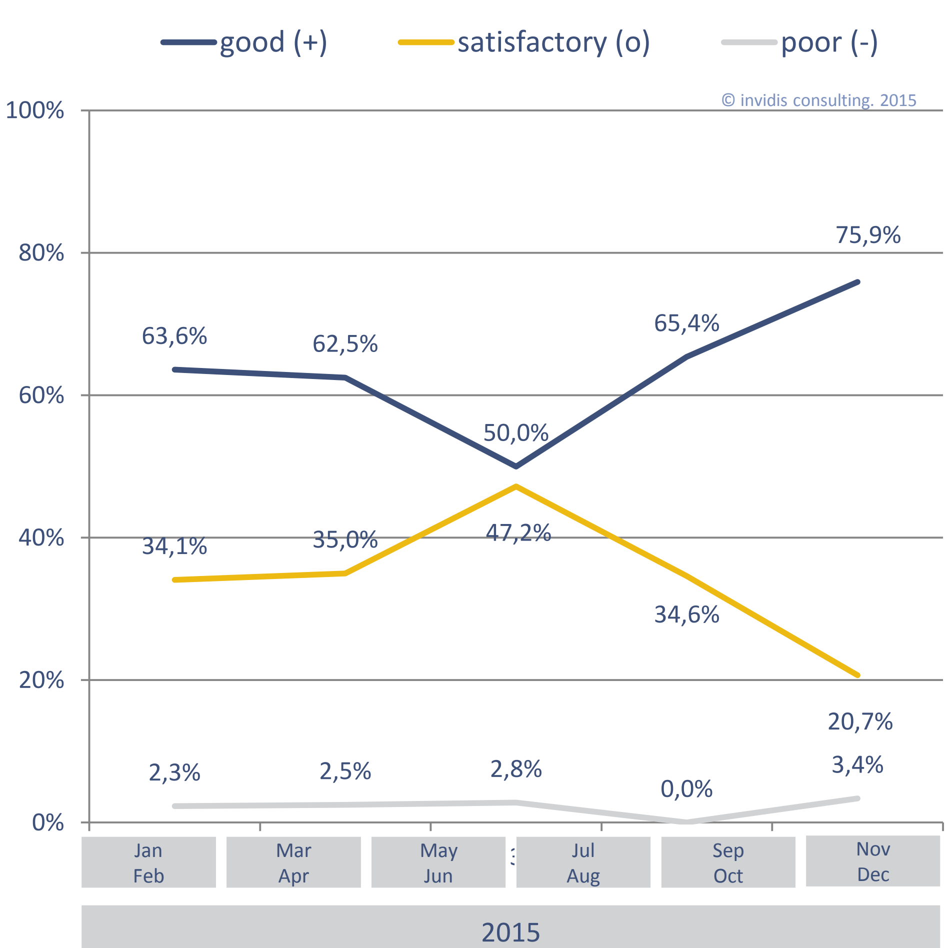


Fig. 17. DBCI November | December 2015 „Business Situation Integrators" rolling 12 months, n=41

Expectations | Integrator | November/December 2015

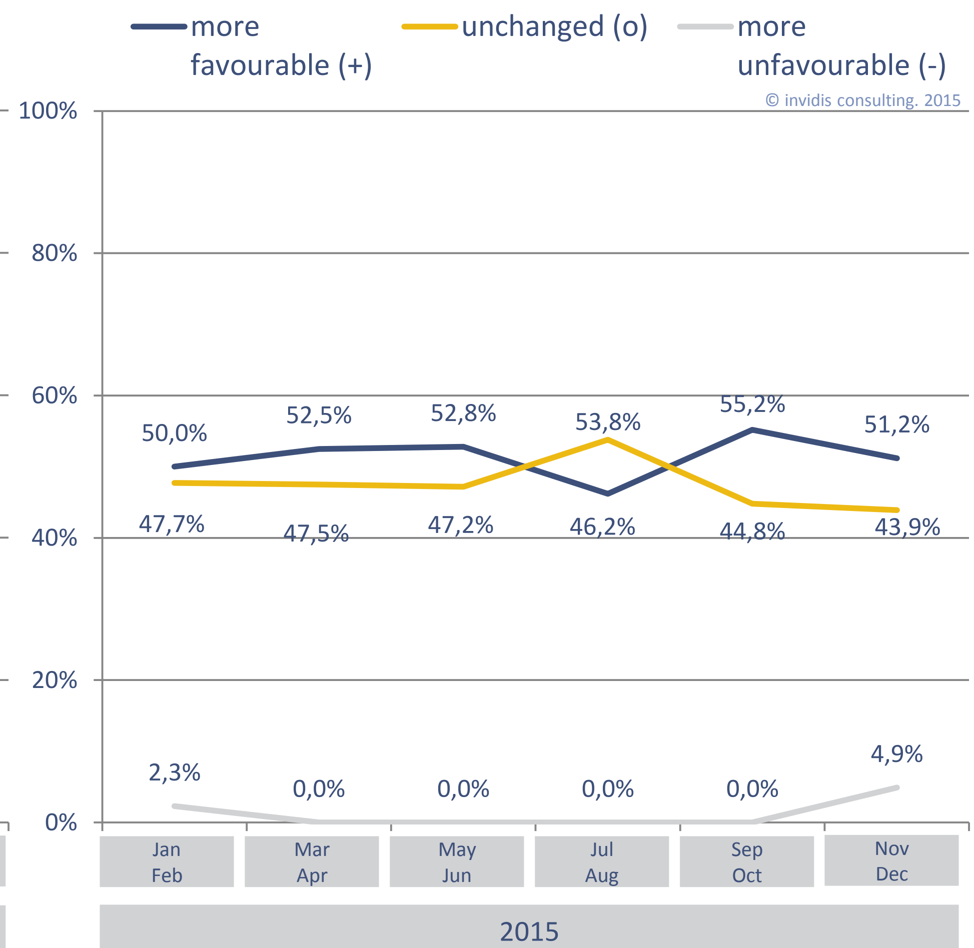


Fig. 18: DBCI November | December 2015 „Expectations Integrators" rolling 12 months, n=41

Software | Business situation & outlook increasingly positive again

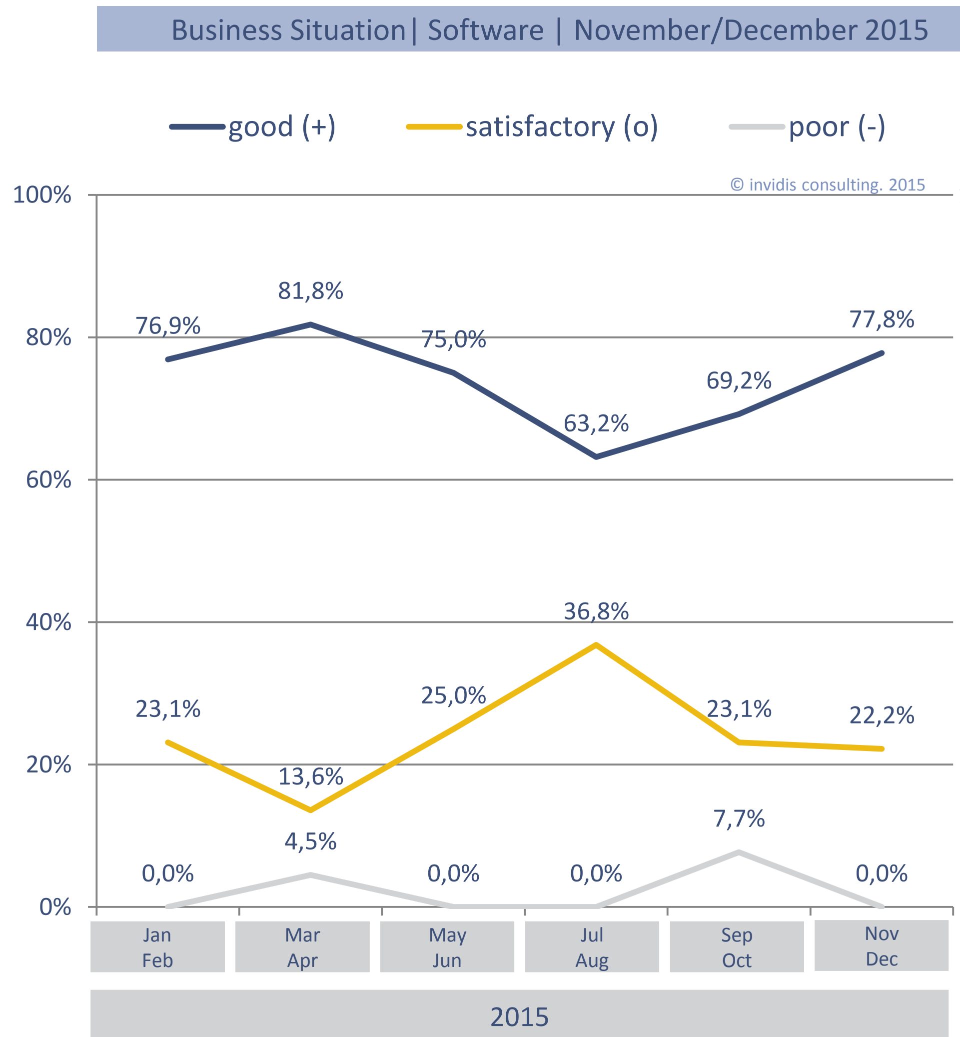


Fig. 19: DBCI November | December 2015 „Business Situation Software" rolling 12 months, n=18

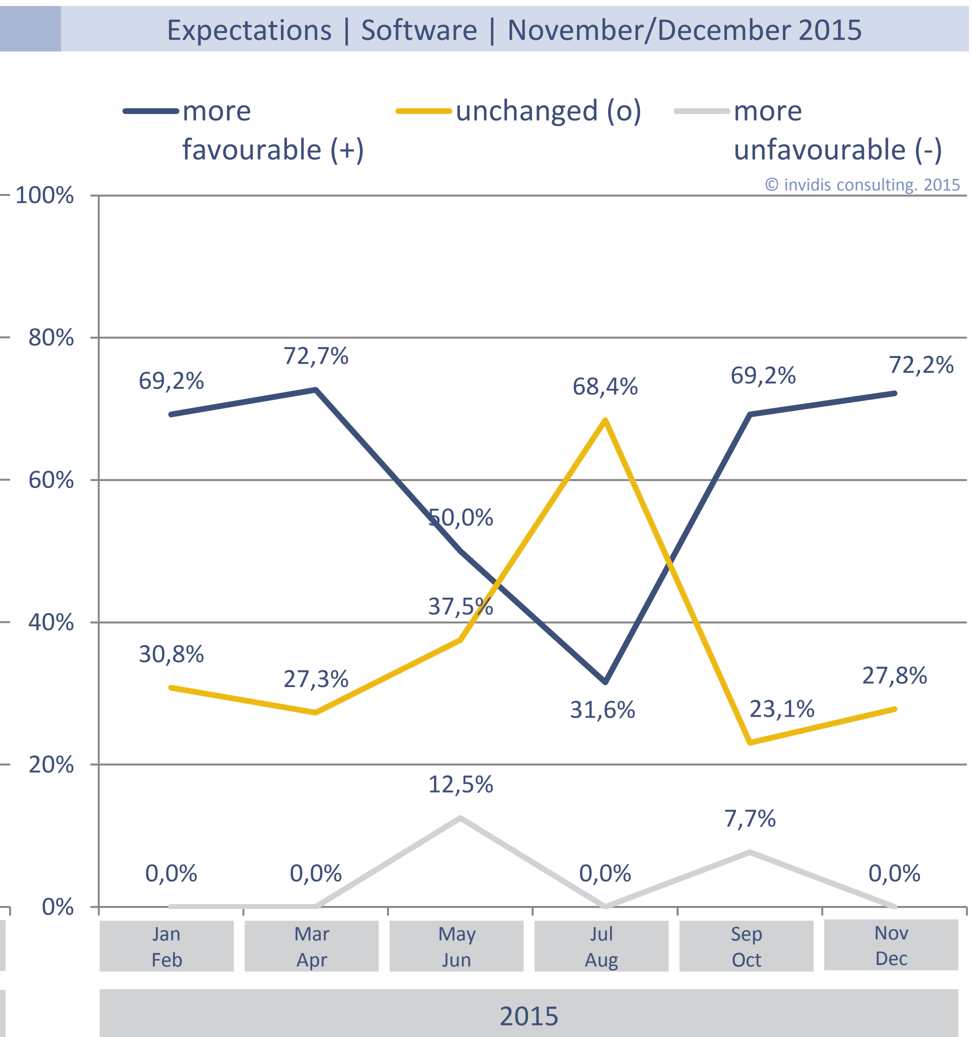


Fig. 20: DBCI November | December 2015 „Expectations Software" rolling 12 months, n=18

DooH | Very positive business situation with a more cautious six month outlook

Business Situation| DooH | November/December 2015

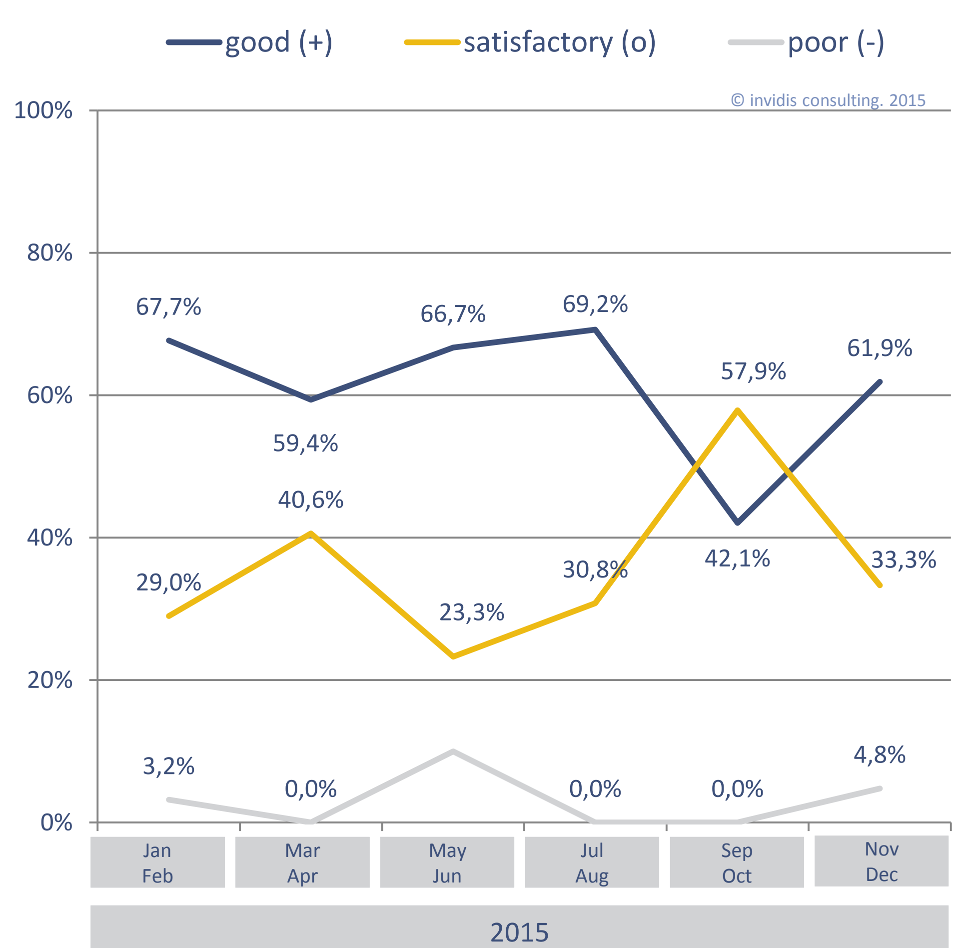


Fig. 21: DBCI November | December 2015 „Business Situation DooH" rolling 12 months, n=21

Expectations | DooH | November/December 2015

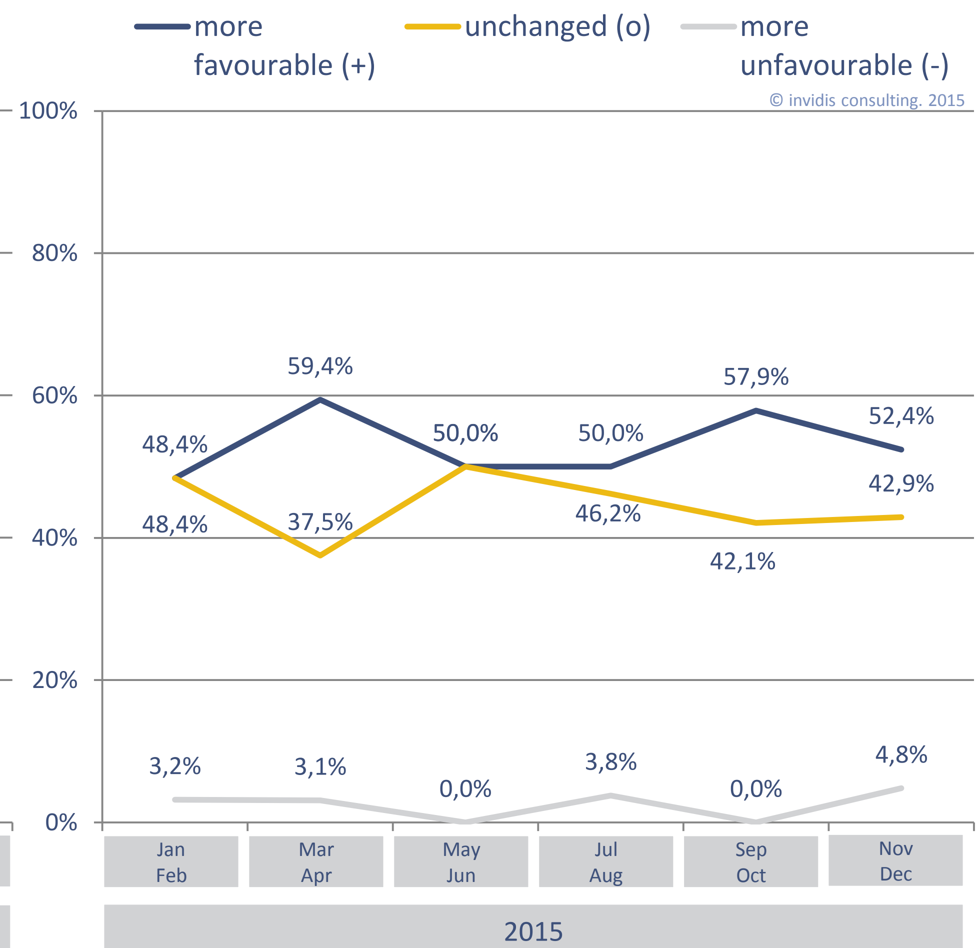


Fig. 22: DBCI November | December 2015 „Expectations DooH" rolling 12 months, n=21

Further research | The Top 5 dominate the market

***Question:** „With which distributors do you work together?"*

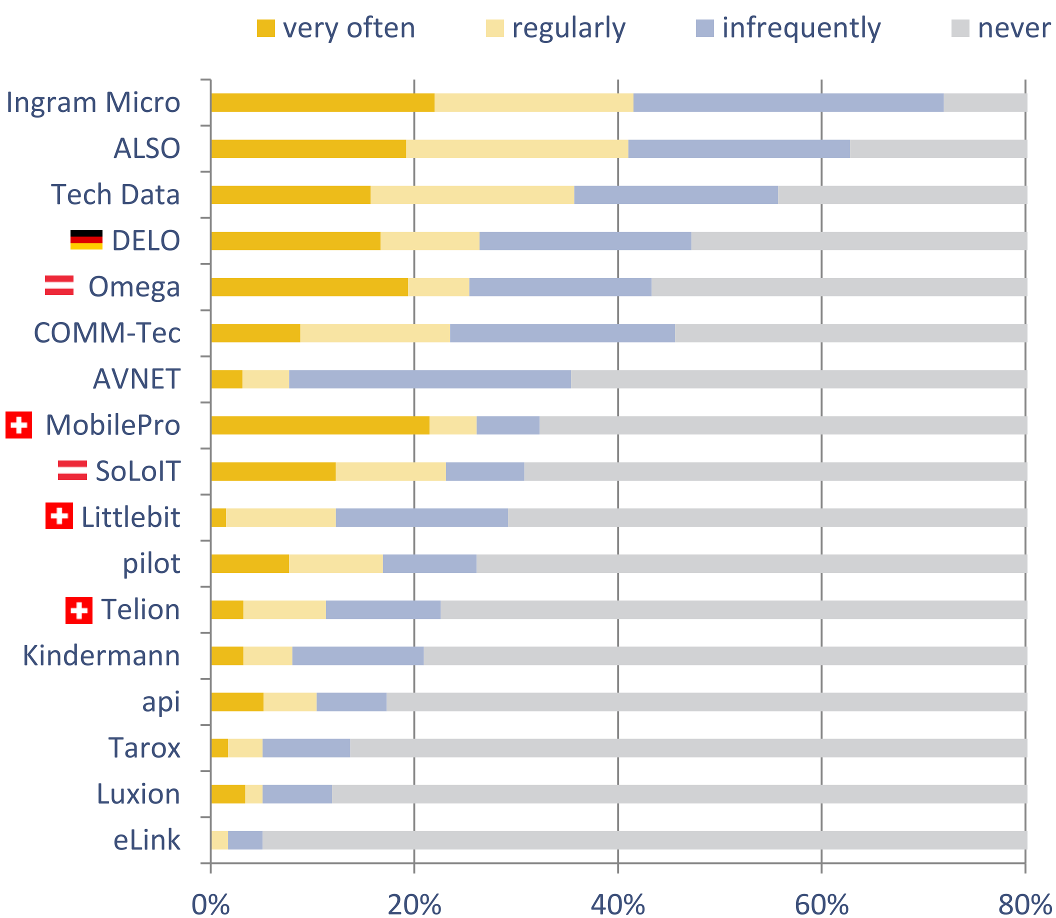


Fig. 23: DBCI November/December 2015 "Ranking distributors Germany, Austria & Switzerland", n=67 (mean value)

- The dominating market leader among the distributors in Germany is Ingram Micro. Over 70% of all polled companies work with this distributor
- In short succession follow, ALSO, Tech Data, Delo and Comm-Tec. Between 40% and 60% of the market participants have worked with those competitors
- Most IT distributors offer Digital Signage related services. The market participants have noted that DS projects offer a good possibility to generate additional revenues to the standard box-moving business. Some competitors i.e. Delo have specialised on DS with growing success.
- In Austria and Switzerland the distribution market is dominated by national providers. In Austria these are Omega and SoLoIT, in Switzerland the market leader MobilePro is followed by Littlebit and Telion
- The international respectively Europe-wide operating companies Ingram Micro, Also and Tech Data have to surrender to local distributors in these two markets

Further research | DooH is steadily increasing in relevance

***Question**: Please rate the degree of capacity utilization of your DooH network(s) with advertising bookings in 2015 compared to 2014 (including the expected bookings until the end of the current year)?*

- Almost 50% of the polled companies currently doing business in the Digital out of Home market have registered a similar number of advertising bookings in the year-on-year trend in 2015 compared to 2014
- Still 43% of the market has seen a rise in bookings in the current year. Notably the most relevant market participants were among those companies. Thus the overall market is expected to have a healthy increase in the number of advertising bookings for 2015.
- In general DooH is starting to play an increasing important part in the media landscape. DooH is accounting for the most dynamic segment in the traditional ooH advertising branch. Primarily through the digitalisation of media assets has the industry been able to compete with the development in the new media landscape.

YoY bookings of DooH Networks 2014/15

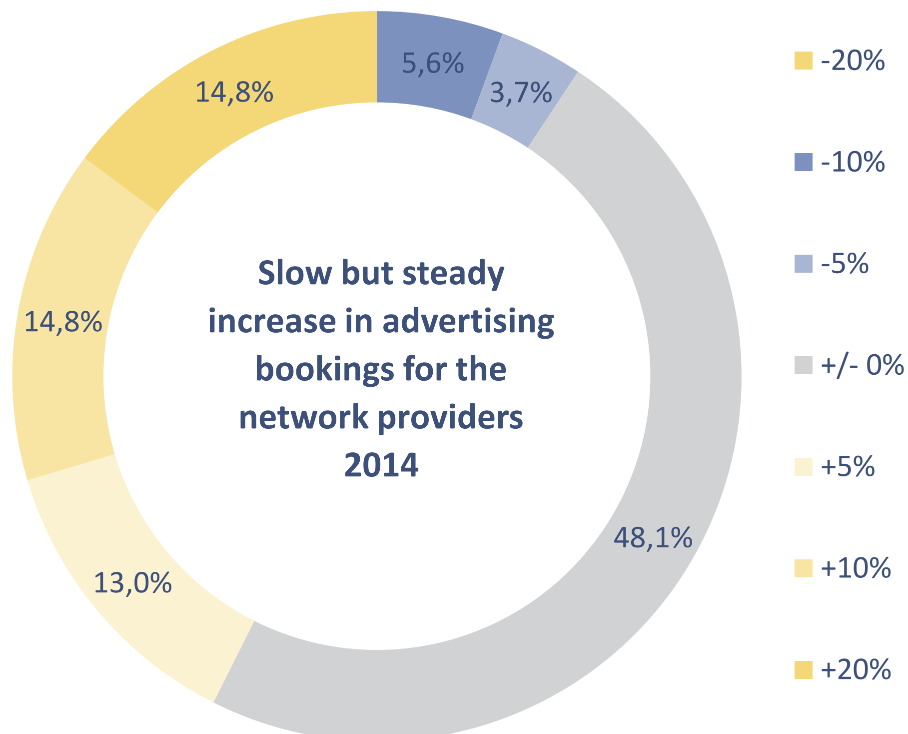


Fig. 24: DBCI November | December 2015 “capacity utilization 2014/15”, n=54

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

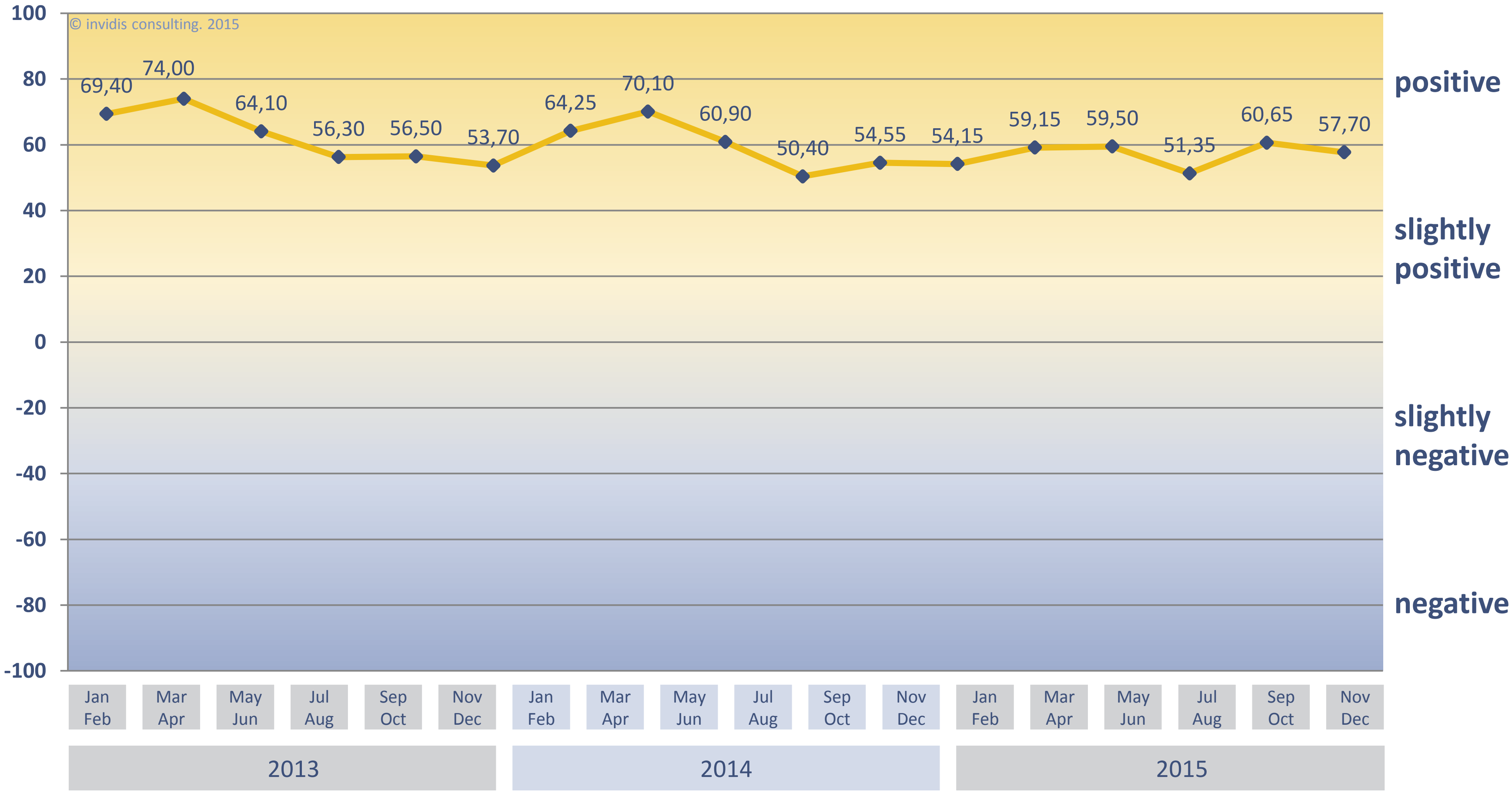


Fig. a: DBCI „Index DE-AT-CH" Long-term data series

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

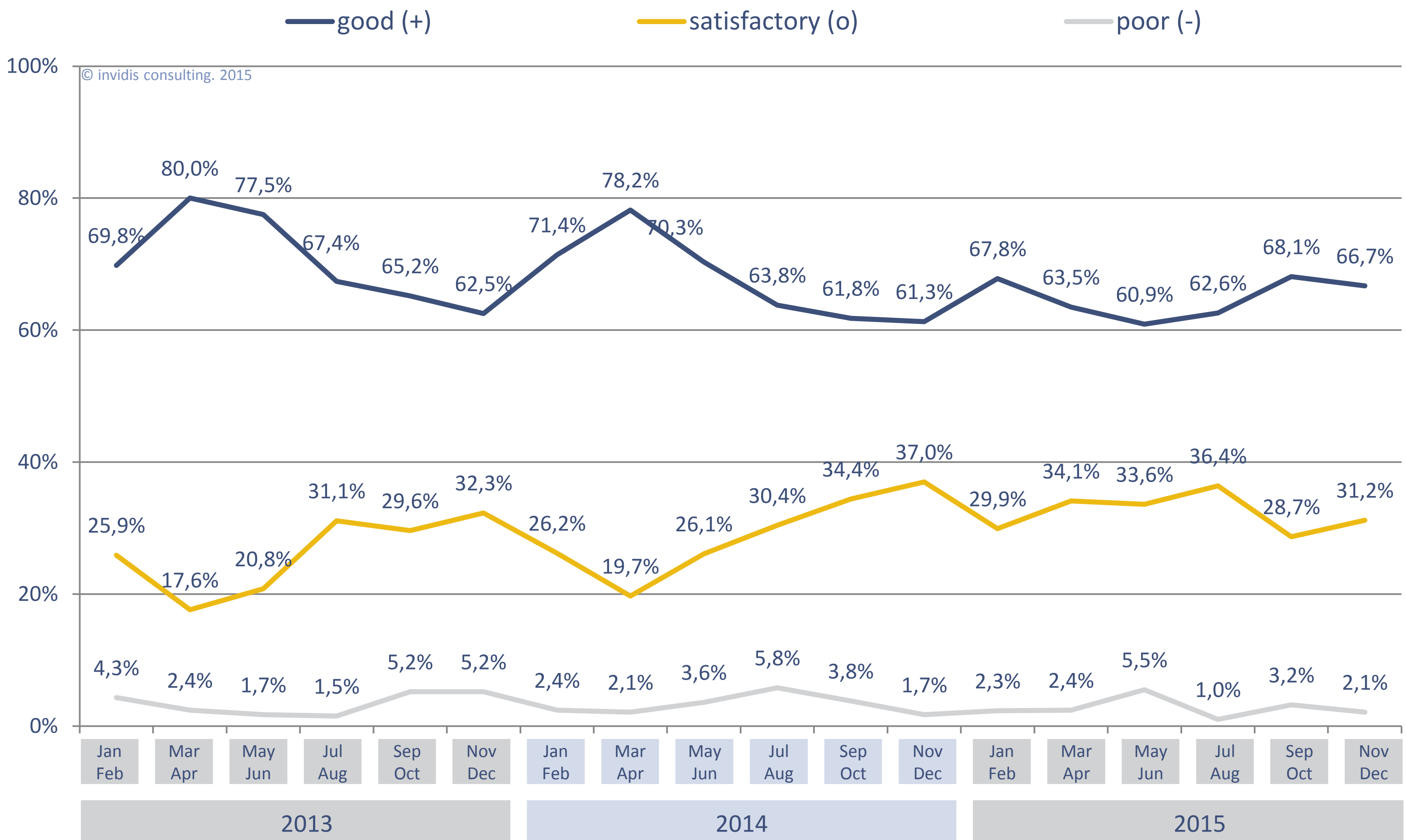


Fig. b: DBCI „Business Situation DE-AT-CH" Long-term data series

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

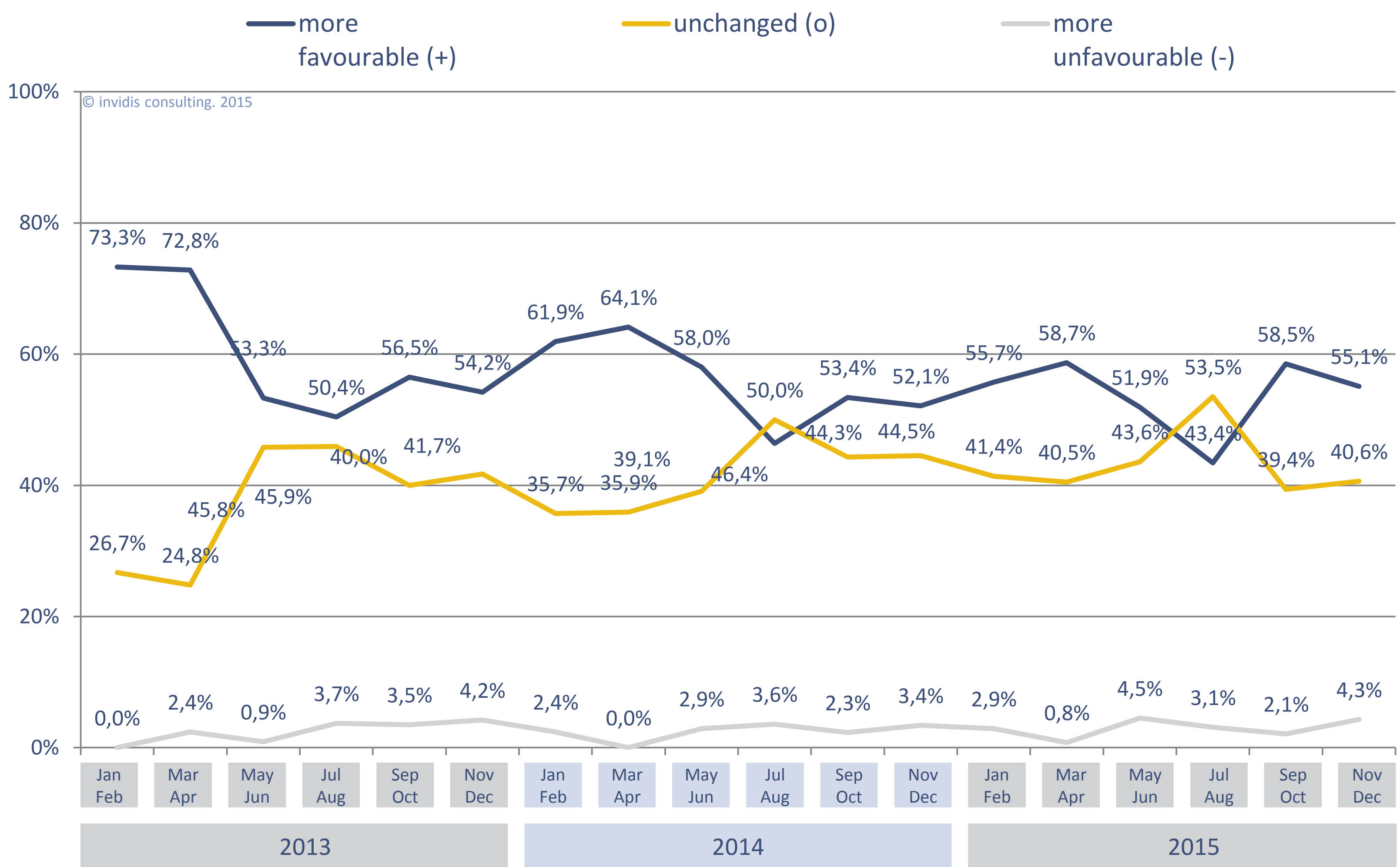


Fig. c: DBCI „Expectations DE-AT-CH" Long-term data series

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

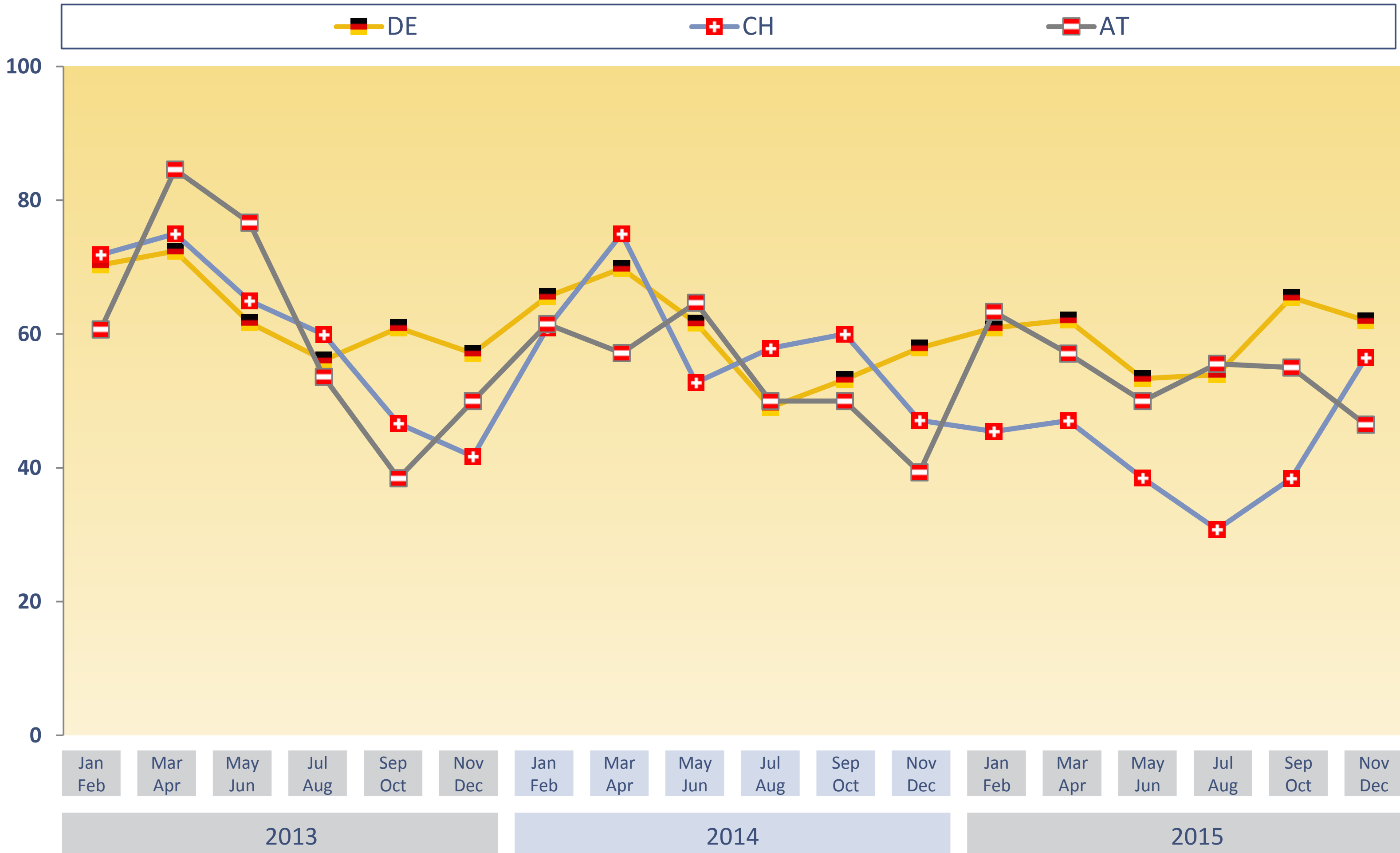


Fig. d: DBCI „Index DE-AT-CH" Long-term data series

Germany | Business sentiment – Long-term data series

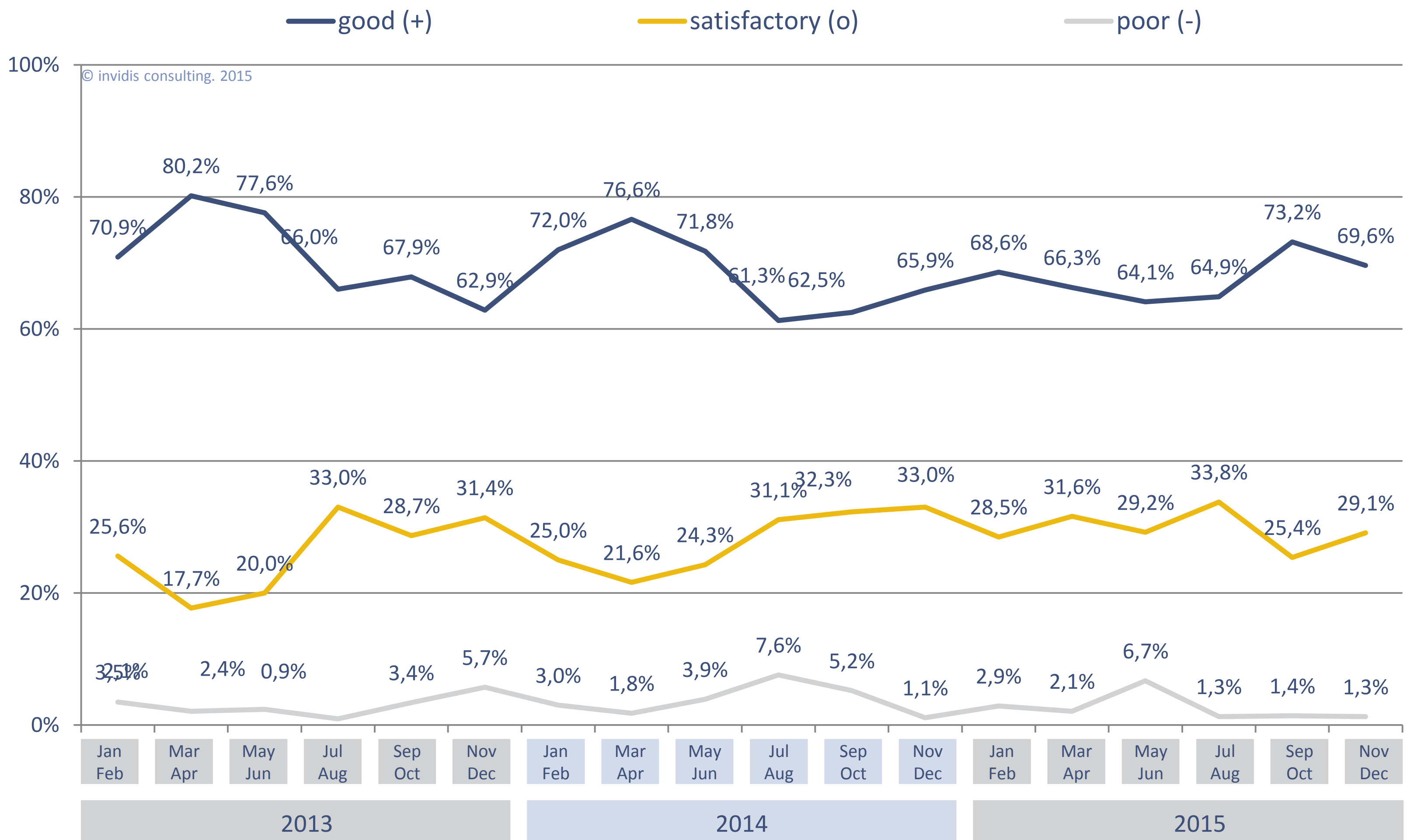


Fig. e: DBCI „Business Situation Germany" Long-term data series

Germany | Expectations – Long-term data series

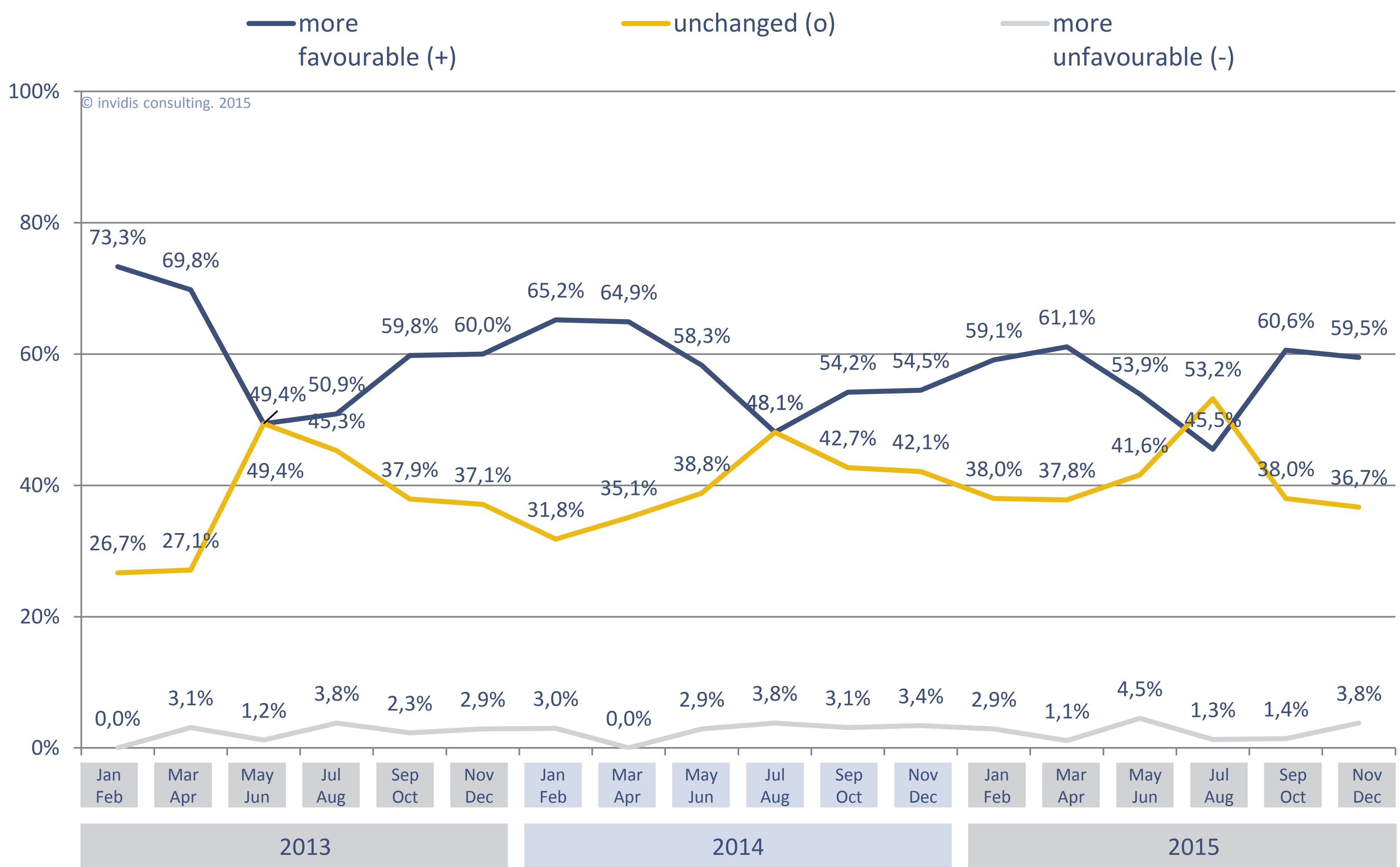


Fig. f: DBCI „Expectations Germany" Long-term data series

Austria | Business sentiment –Long-term data series

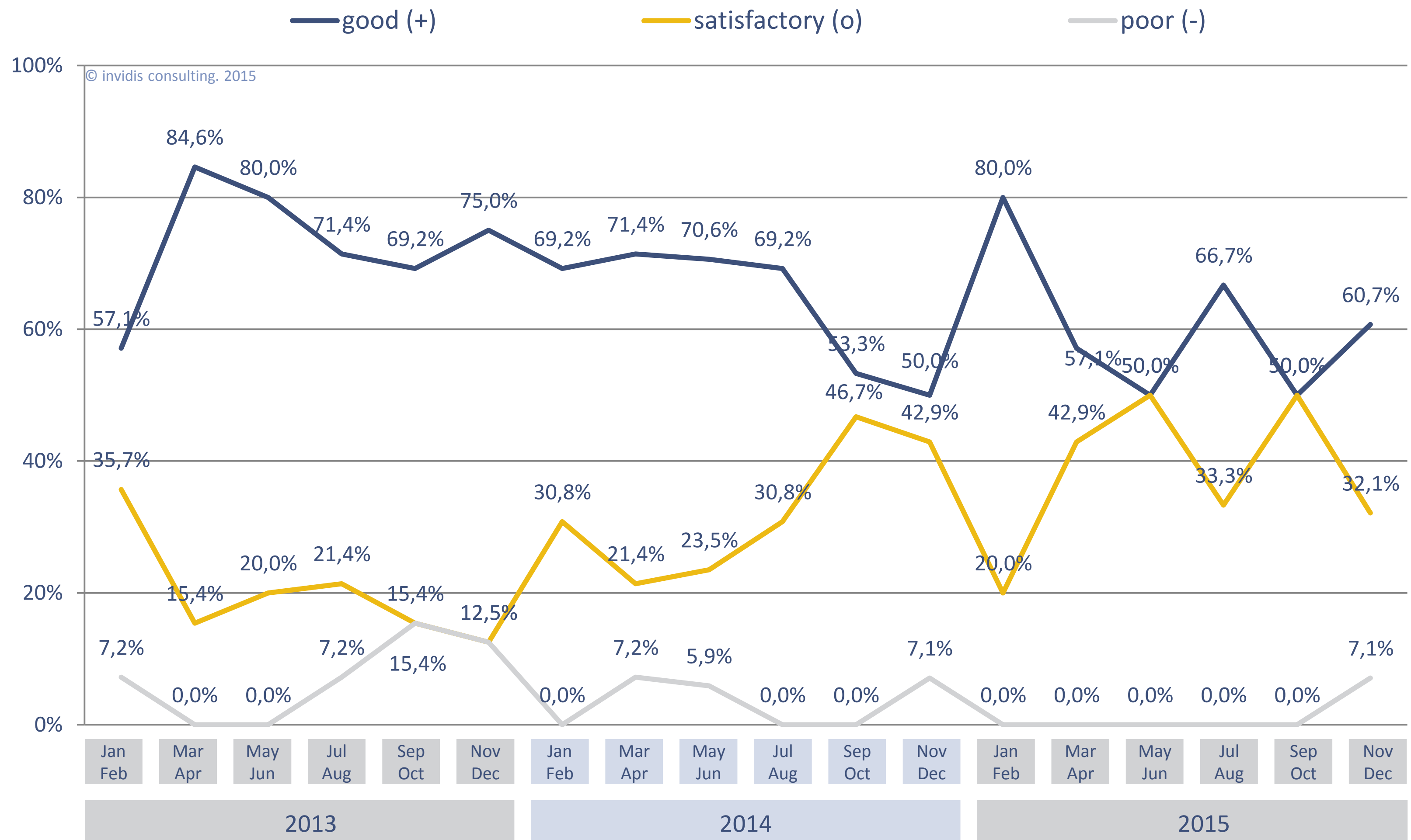


Fig. g: DBCI „Business Situation Austria" Long-term data series

Austria | Expectations – Long-term data series

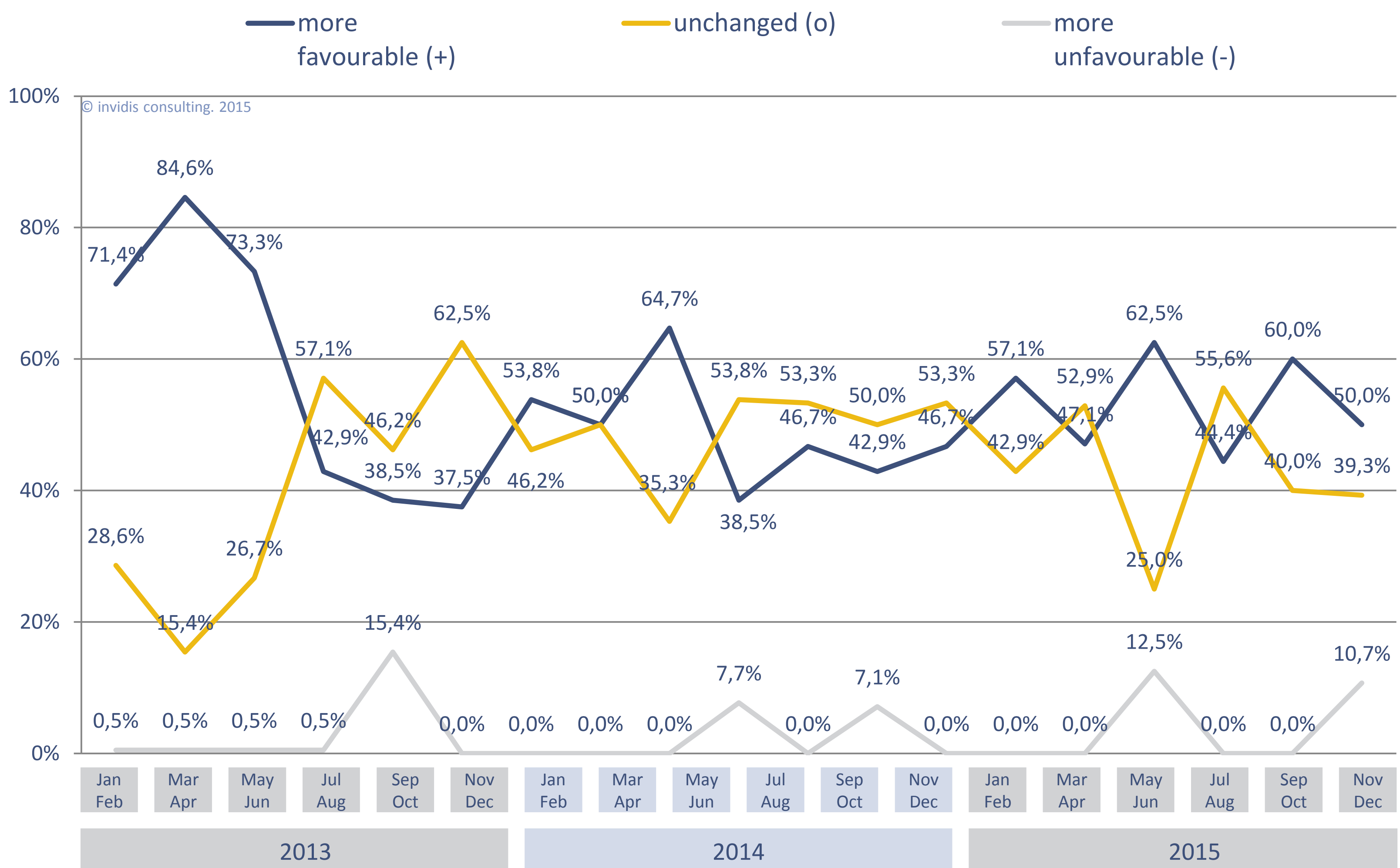


Fig. h: DBCI „Expectations Austria" Long-term data series

Switzerland | Business sentiment – Long-term data series

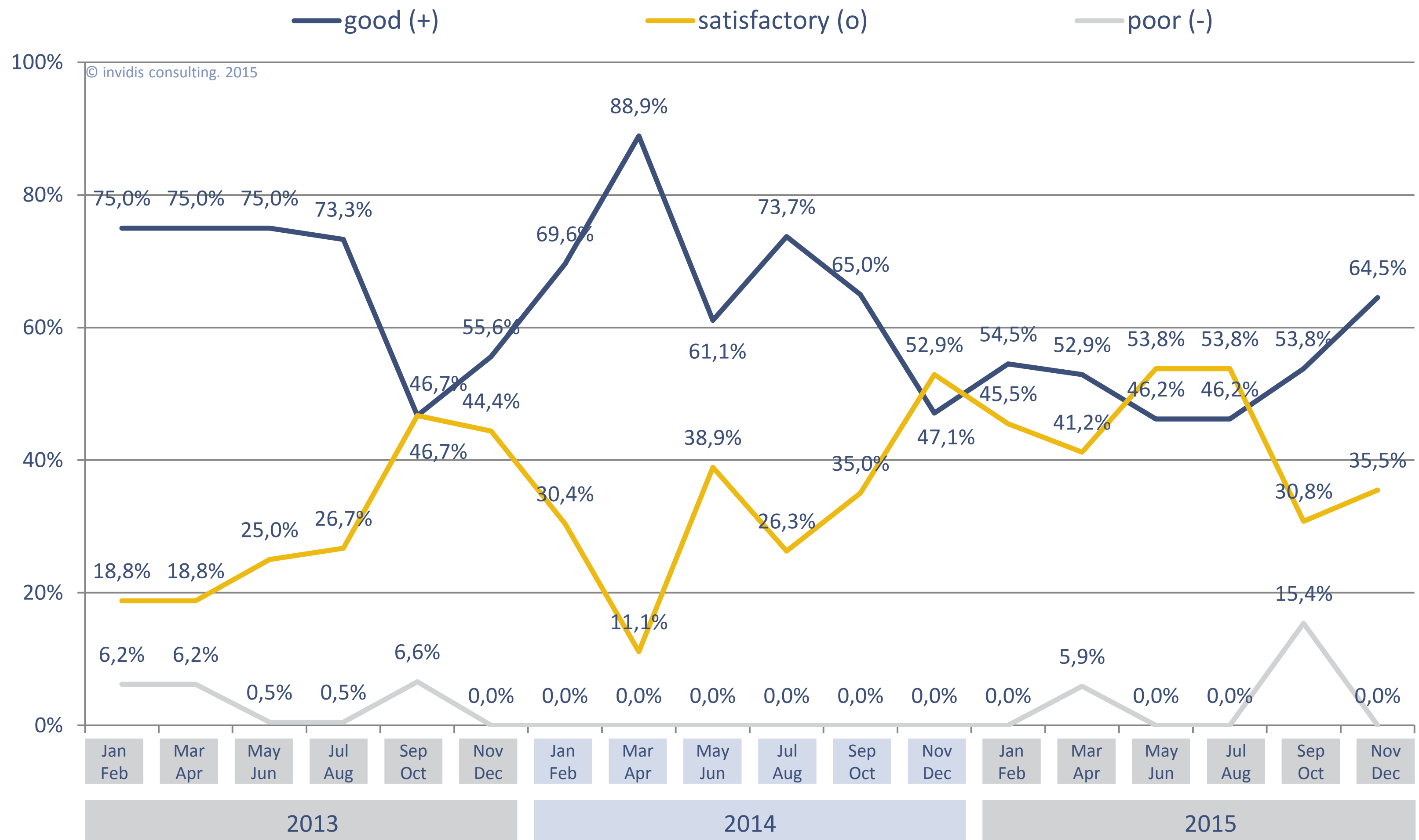


Fig. i: DBCI „Business Situation Switzerland“ Long-term data series

Switzerland | Expectations – Long-term data series

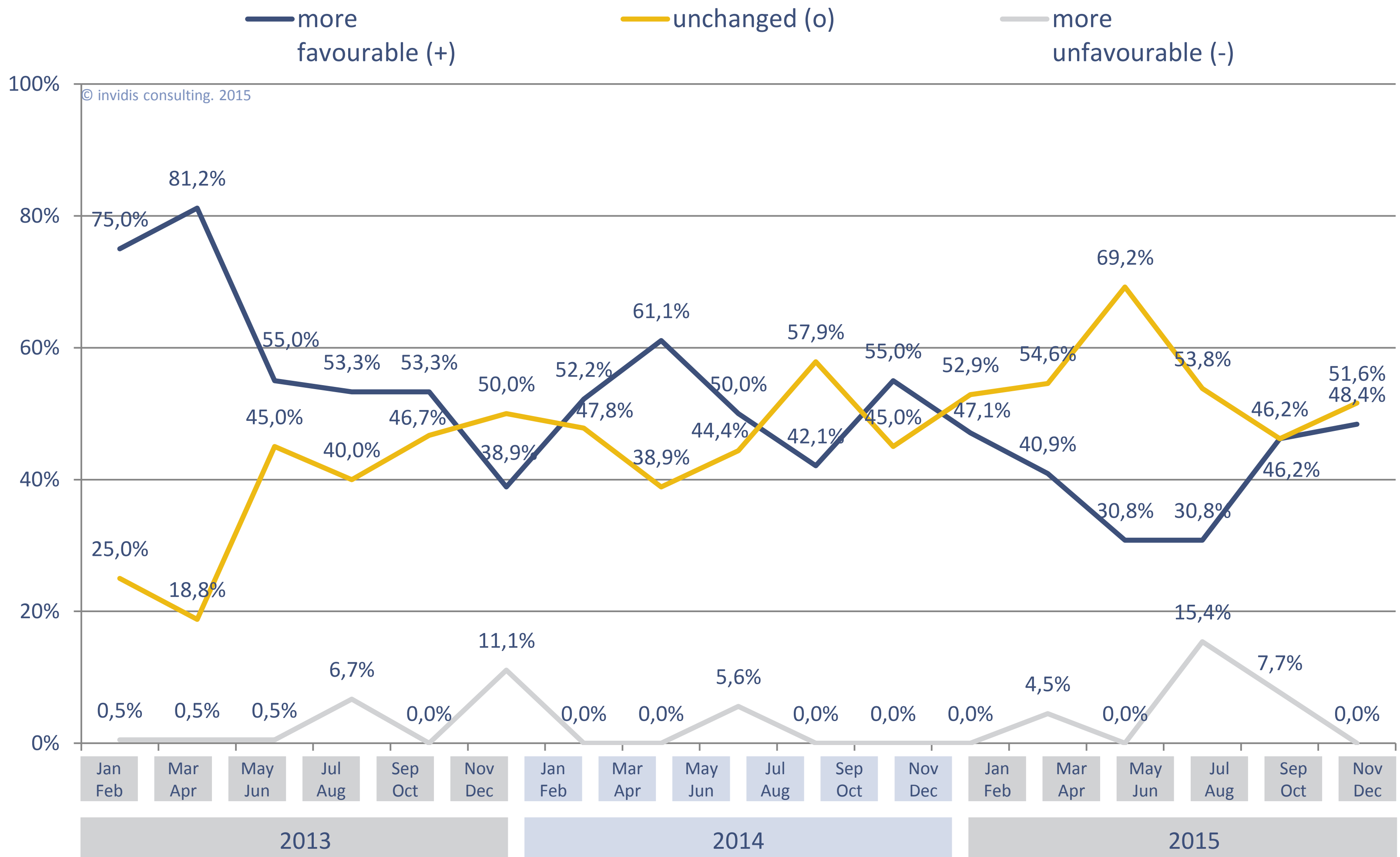


Fig. j: DBCI „Expectations Switzerland“ Long-term data series

Displays | Business sentiment- Long-term data series

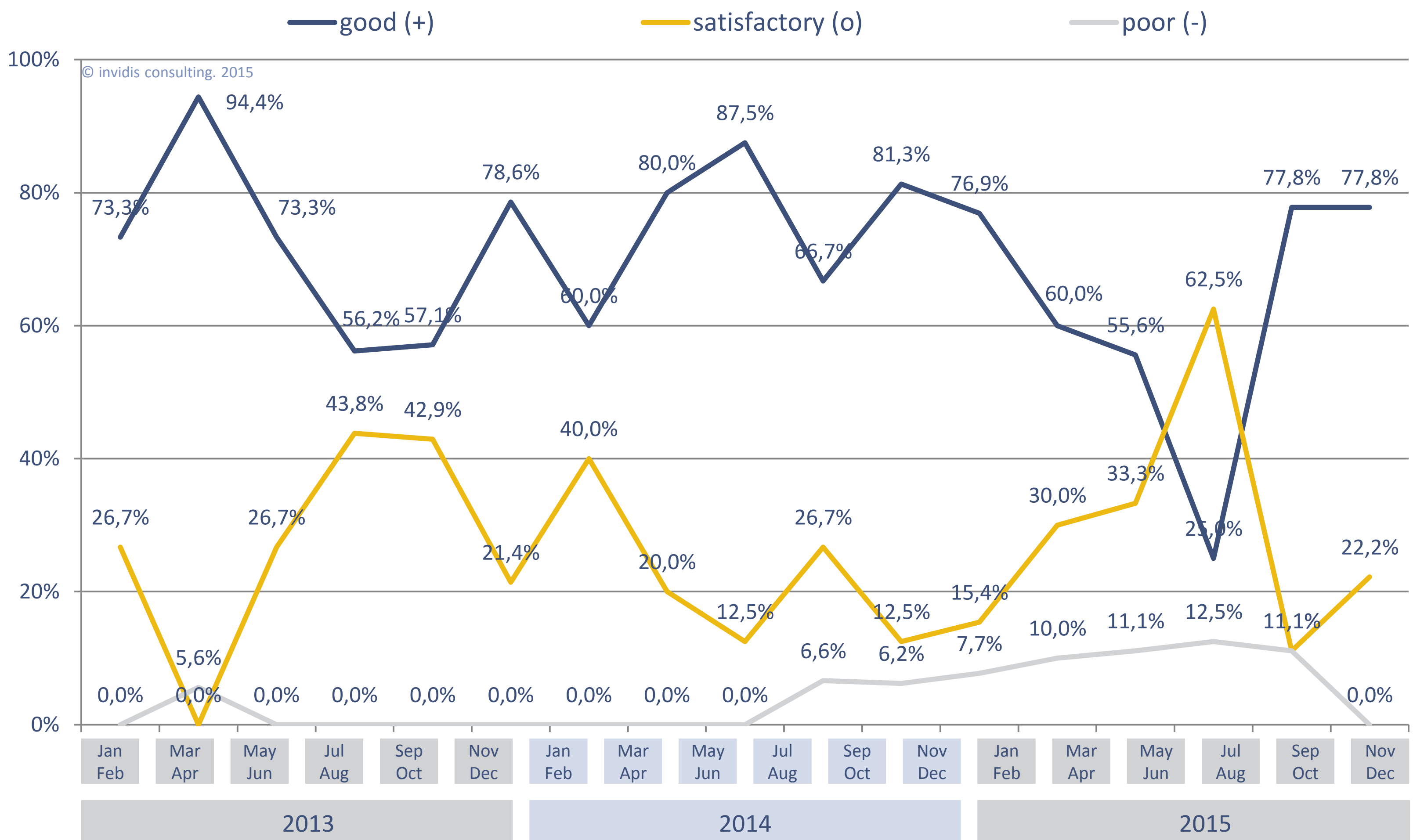


Fig. k: DBCI „Business Situation Displays" Long-term data series

Displays | Expectations - Long-term data series

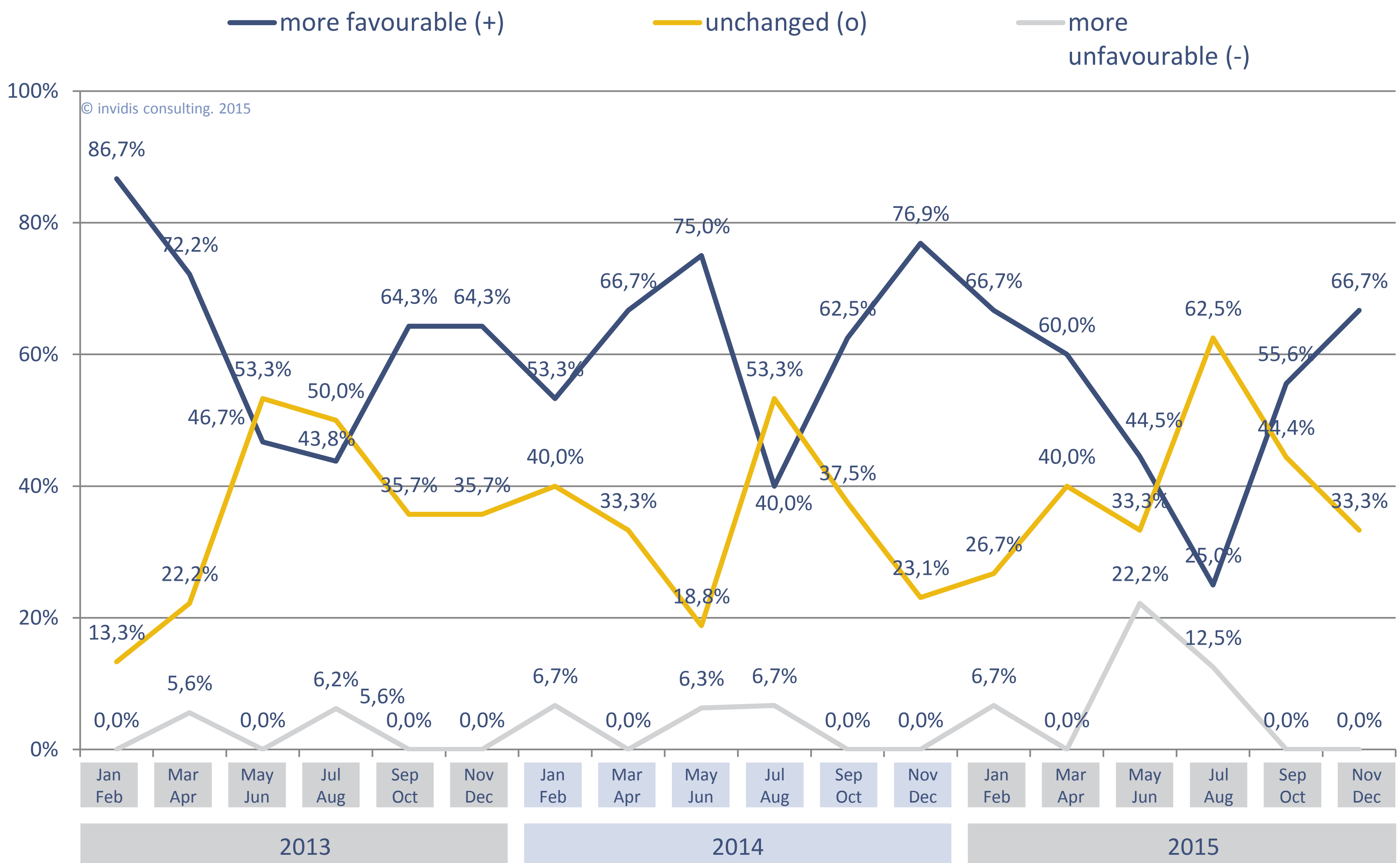


Fig. I: DBCI „Expectations Displays“ Long-term data series

Integrators | Business Sentiment – Long-term data series

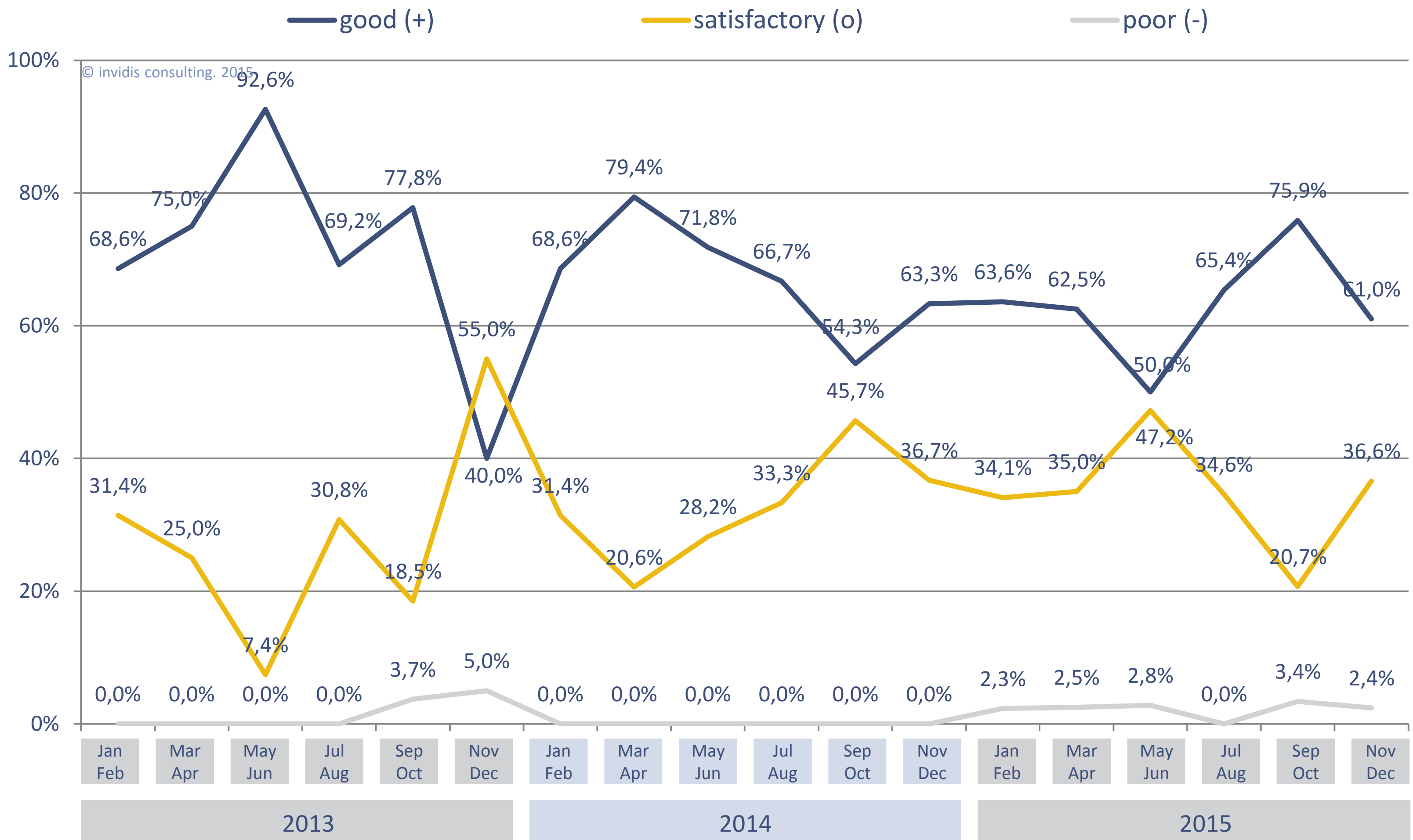


Fig. m. DBCI „Business Situation Integrators" Long-term data series

Integrators | Expectations – Long-term data series

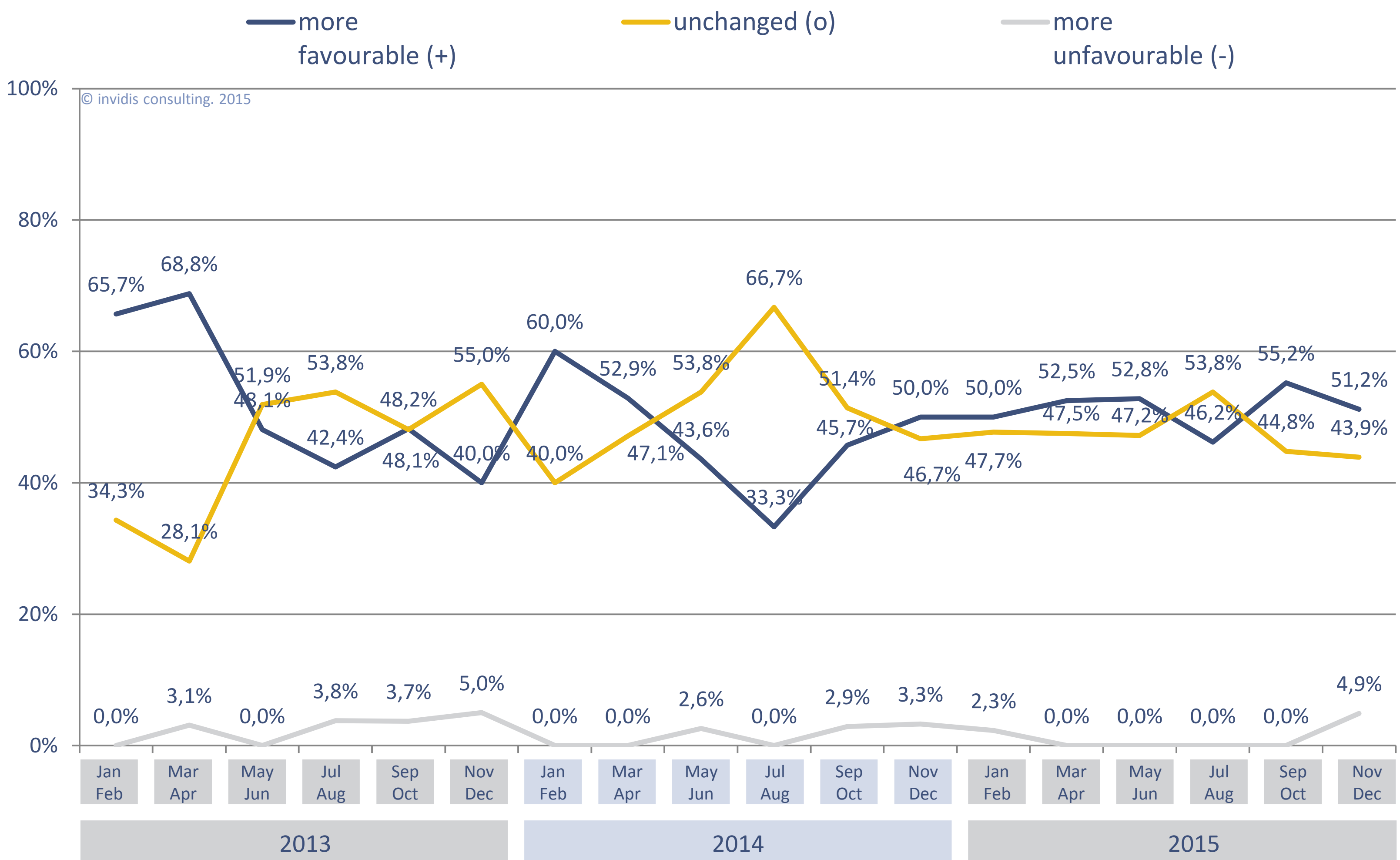


Fig. n: DBCI „Expectations Integrators“ Long-term data series

Software | Business Sentiment – Long-term data series

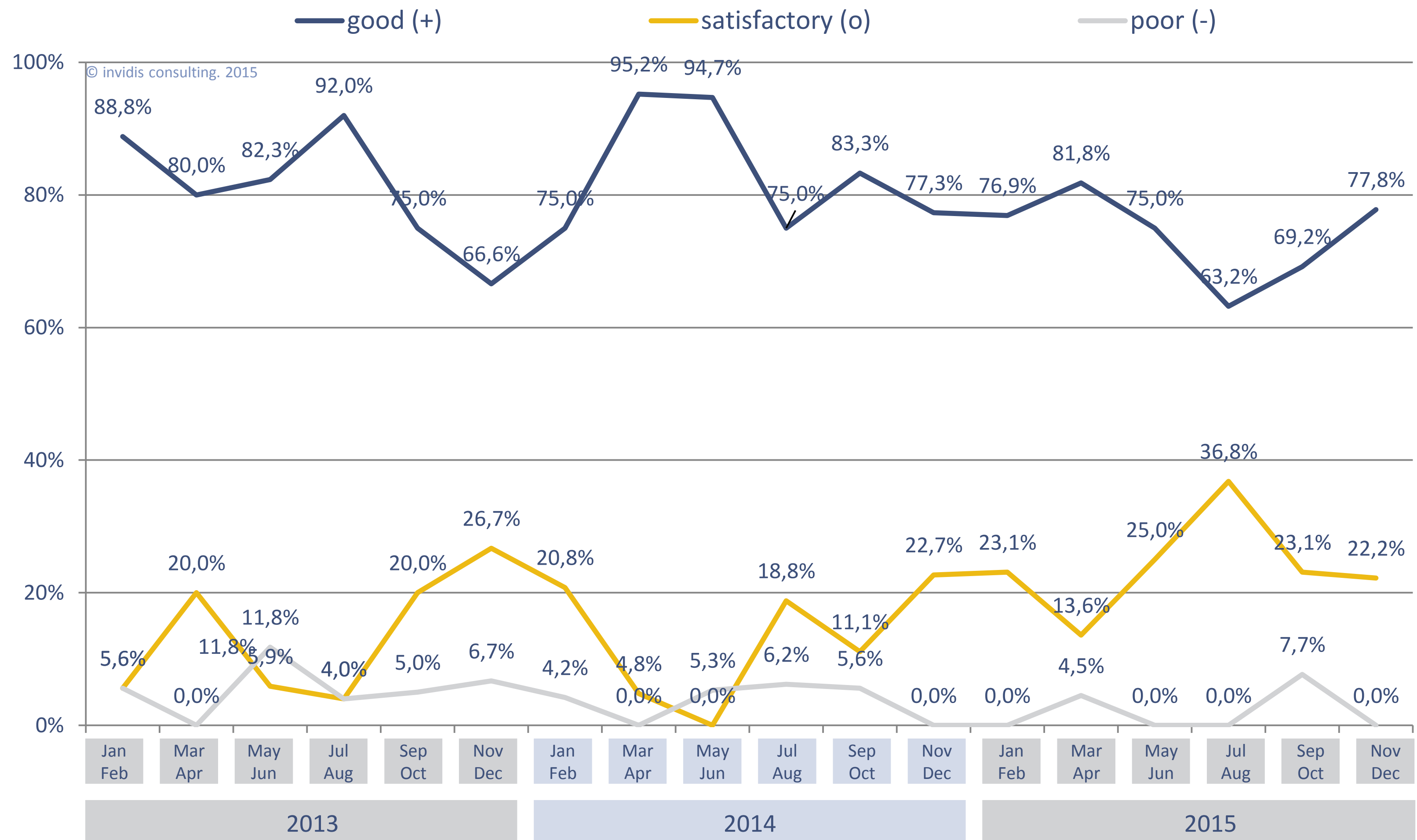


Fig. o: DBCI „Business Situation Software" Long-term data series

Software | Expectations – Long-term data series

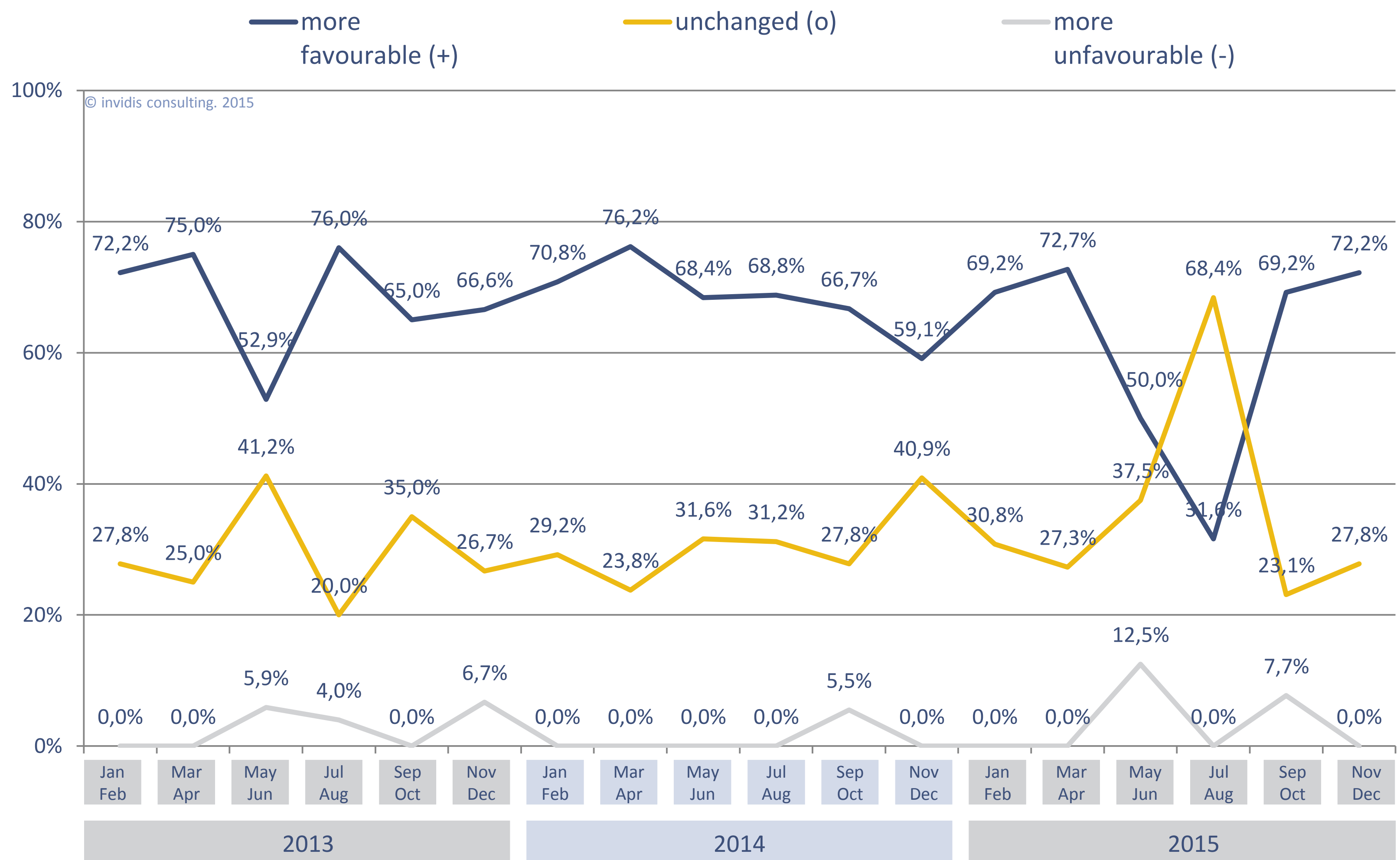


Fig. p: DBCI „Expectations Software“ Long-term data series

DooH | Business Sentiment – Long-term data series

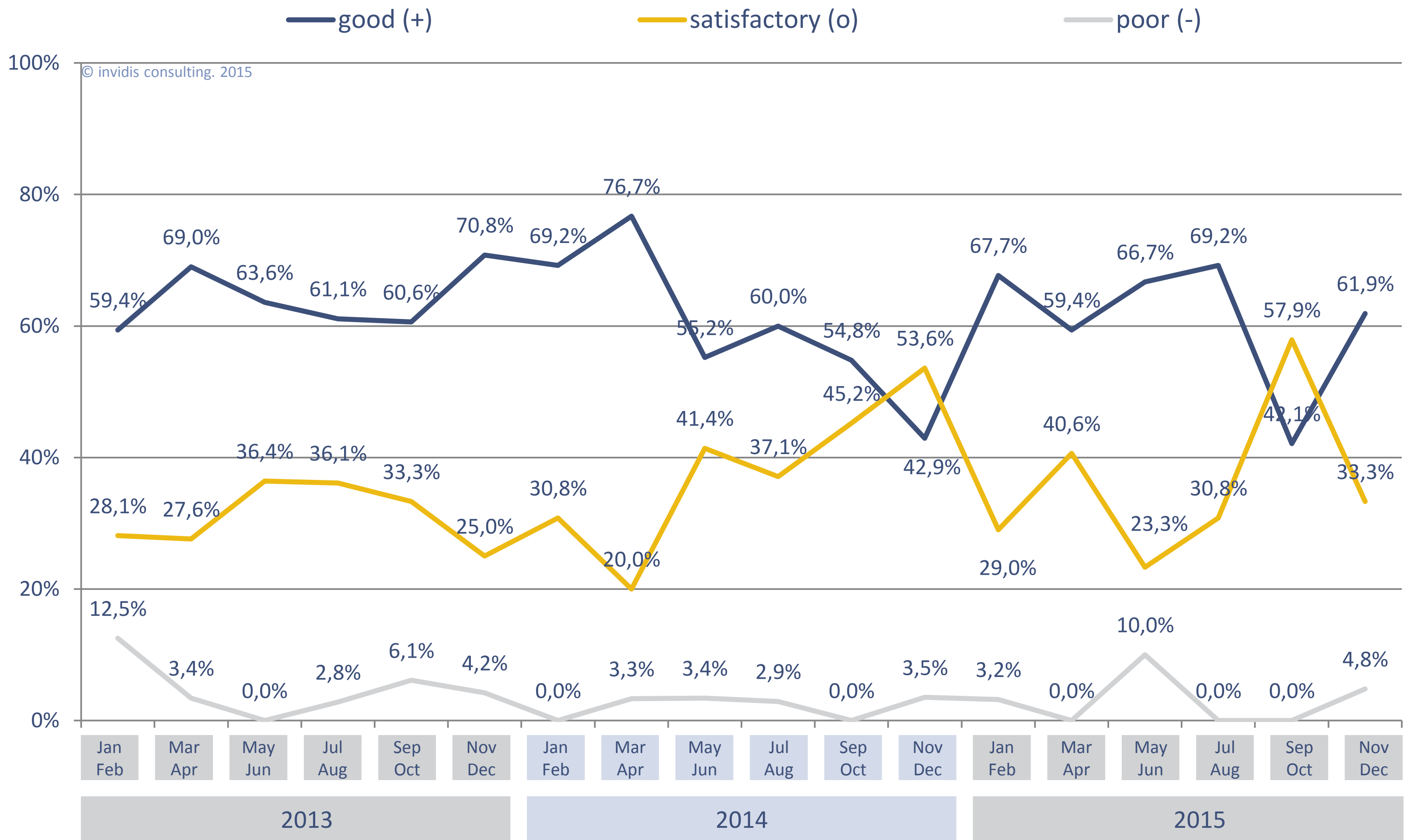


Fig. q: DBCI „Business Situation DooH" Long-term data series

DooH | Expectations – Long-term data series

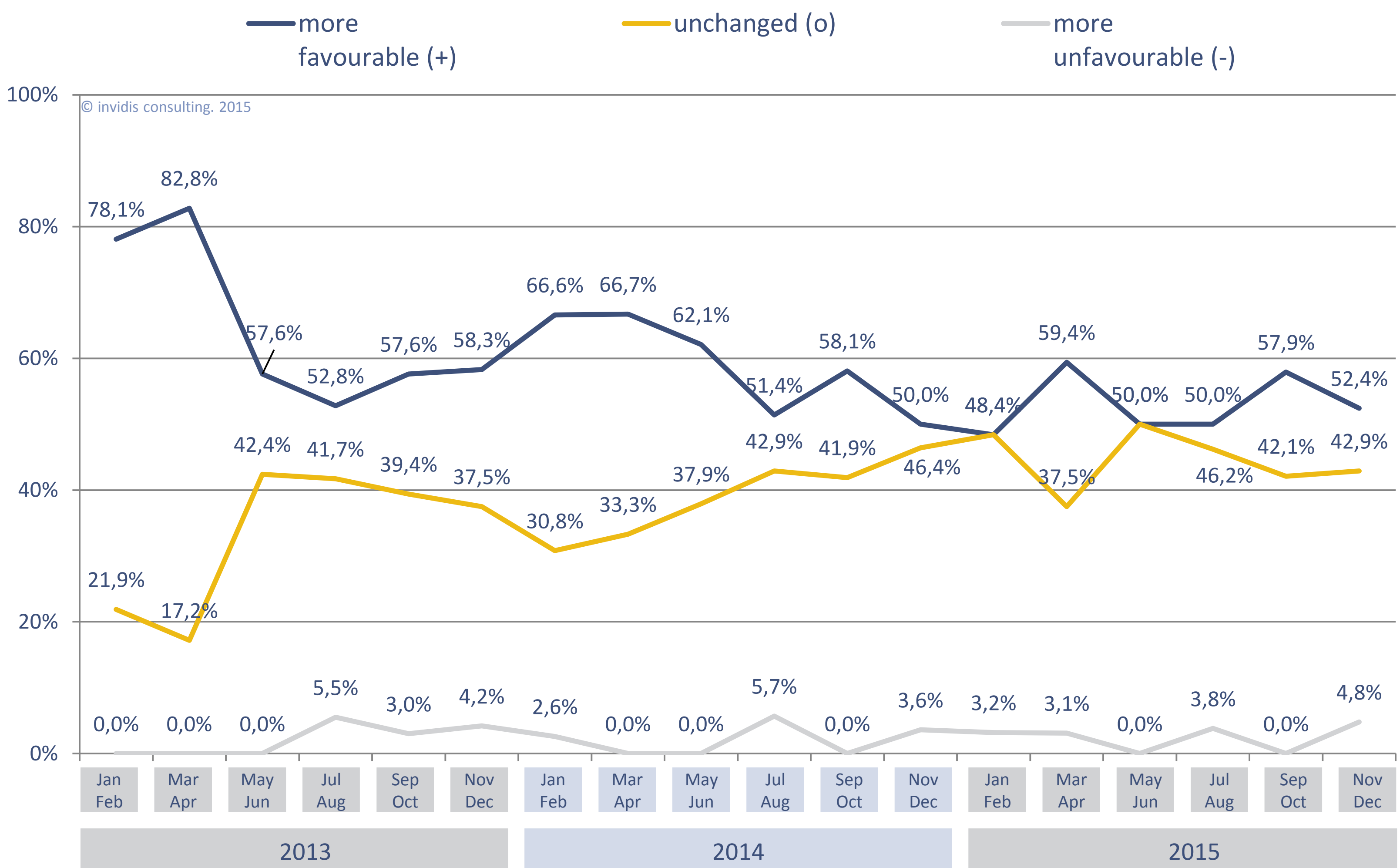


Fig. s: DBCI „Expectations DooH" Long-term data series

DBCI | Roadmap 2015 & Contact

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 weeks 2-3 of 2016
- The next planned publication date will be the 1st 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.

Contact

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