



# Digital Signage for QSRs:

## Making Your Business Stand Out and Your Sales Take Off





# What Our QSR Customers Are Saying About Watchfire LED Signs.

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“When I promote a menu item on the new Watchfire sign, about 40 or 50 percent of customers start ordering that item shortly afterward.”

– Frank Cerrone, Manager, McDonald’s, GA



“You can change the messages easily, and it works immediately. One day during lunch, we were dead. So I went and changed the Watchfire sign to advertise 89-cent hot dogs. Within minutes, a customer came in and ordered two hot dogs.”

– Bill Marble, Owner, Dairy Queen, OH

“We misjudged production one day, and had a lot of donuts left over. At 6 p.m. we changed the sign to read, ‘Tonight only: all donuts 25 cents.’ Within an hour, they were all gone. Clearly, the sign works. They read it, and they react to it. It’s eye-catching.”

– Ken Blum, Franchisee, Dunkin’ Donuts, OH



“Of course, the Watchfire LED sign increases store traffic, but we are excited by its ease-of-use and flexibility. We’ve had the sign for over a year now and have built a nice library of messages we can quickly select to display changing messages four to five times throughout the day and even at night – it’s automatic. And it definitely saves on labor compared to traditional reader boards, especially in the winter!”

– Maruti Seth, Burger King, IL

## The World Is Changing. So Should Your Advertising Approach.

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As a business owner/operator, you have more competition than ever. And not just from other QSRs in your area. You're competing for customer attention in an age where attention spans are getting shorter and advertising messages are getting out of control.

According to Yankelovich, a national market research organization, a person in 1980 was barraged with up to 2,000 ad messages per day. Today, that number has grown to a whopping 5,000. So how are you supposed to compete for (and win) the attention of your current and potential customers?

## Driving Your Sales with Drive-by Traffic.

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Many QSRs and small businesses use traditional manual letter boards to promote offers and announcements. Others haven't seen the need, but are looking for ways to increase visibility and store traffic, especially during tough economic times. By upgrading to a digital LED sign, business owners can realize several cash-register-filling benefits:

- **Improve your street presence.** Motion and graphics can cut through the clutter and grab customer attention.
- **Reign in your advertising costs.** Per impression, digital signage is one of the most cost-effective advertising mediums. Many QSR owner/operators have been able to shift money away from other media and still see significant results.

- **Increase your sales with targeted messages.** Tailor your messages by daypart or season. Create demand and excitement for hot-selling (or soon-to-be hot-selling) products.
- **Improve your profits.** Of course, there are a lot of factors involved with your profit and loss, but more traffic leads to more sales, which can mean more profits.

A digital sign is an outdoor point-of-purchase display that attracts customers into your parking lot. And even if a customer doesn't stop in today, it's a reminder every time he/she drives by your location. Plus, as opposed to static signage, a digital sign gives you the ability to promote multiple promotions with eye-catching efficiency.

## Are You Getting the Most Bang for Your Advertising Bucks?

Most businesses earmark a certain amount of money in their annual budget for advertising and marketing. From couponing to community sponsorships to “traditional” advertising, you have to determine which activities give you the best return on investment every year (every day, actually).

But the advertising and media landscape has changed dramatically in recent years. Newspaper readership has plummeted and many publications have ceased operation altogether because of this downward trend.

According to a 2009 article in the New Yorker titled “Out of Print,” newspapers have lost over 42% of their marketing value from 2006–2009. In March 2010, The New York Times reported that this long-term decline continued for newspapers across the country.

Television and radio audiences are splintering as well due to DVR, online downloads, satellite radio, and literally thousands of channel options. Consider the following:

- The average cable/satellite subscriber has 200+ channels.
- 40% of American homes have a DVR.
- Over 60% of all digital cable subscribers have a DVR.
- It is estimated that 90% of DVR owners pre-record their favorite programs and fast-forward through the commercials.

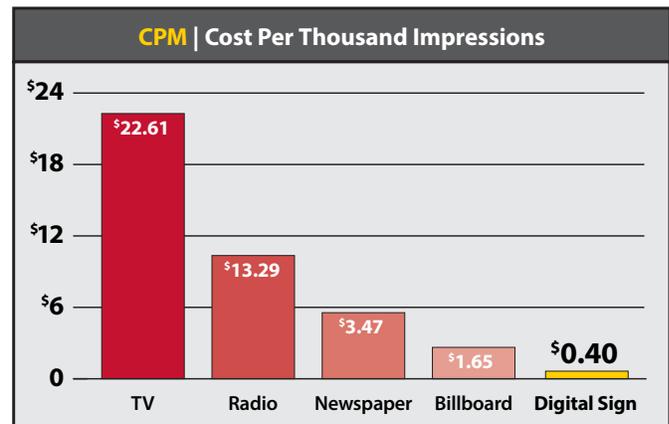
However, our on-the-go society is spending more time in their cars. In 2009, American travelers spent more than 20 hours per week on the road (a 31% increase over 2003), with most of that time spent driving the same route every day.

## So, What Does This Mean for Your Business?

If you’re spending heavily on TV, newspaper and radio, you may want to consider redirecting some of these dollars to an LED sign. It will allow you to communicate timely messages to the right target audience — consumers who regularly pass in front of your business.

According to a report from the U.S. Small Business Administration, businesses typically see an increase in revenue from 15% to 150% simply by installing this advanced advertising medium.

When amortized over the life of the sign, a new LED sign can cost less than 15 cents per thousand impressions while reaching the very people who are geographically close enough to act on your message immediately (within 5-15 miles). These same customers have the opportunity to notice and visit your business on a regular basis.



To evaluate the cost of a new LED sign, you can do a cost comparison to your current advertising program. Or you can look at the price of the sign as a monthly expense and determine what kind of lift in sales you would need to have the sign pay for itself. Below are a few examples to help you understand how to best calculate a return on your investment. Let's look at a direct purchase and a 5-year lease.

Cost Per Thousand (CPM)   Direct Purchase	
Average Daily Traffic Count	25,000
Passengers Per Car (national average)	1.5
Exposures Per Day	37,500
Per Thousand	37.5
CPM	<b>\$0.29*</b>

\*Calculated by dividing the Cost Per Day by Per Thousand.

Cost Per Thousand (CPM)   5-Year Lease	
Average Daily Traffic Count	20,000
Passengers Per Car (national average)	1.5
Exposures Per Day	30,000
Per Thousand	30
Thousand Exposures Per Year	10,950
CPM	<b>\$0.84*</b>

\*Calculated by dividing the Cost Per Day by Per Thousand.

Cost Per Day   Direct Purchase	
Cost of Sign	\$40,000
Length of Use	10 years
Cost Per Year	\$4,000
Days Open Per Year	365
Cost Per Day	<b>\$10.95*</b>

\*Calculated by dividing the Cost Per Year by Days Open Per Year. This is the total before electricity and other operating expenses.

Cost Per Day   5-Year Lease	
Cost of Sign	\$35,000
Length of Use	5 years
Lease Payment	\$766.85/month
Cost Per Year	\$9,202
Days Open Per Year	365
Cost Per Day	<b>\$25.21*</b>

\*Cost per year divided by 365.

Return On Investment (ROI)   Direct Purchase	
<b>OVER 10 YEARS</b>	
Cost Per Year	\$4,000
Days Open Per Year	365
Cost Per Day	<b>\$10.95*</b>
<b>OVER 5 YEARS OF WARRANTY</b>	
Cost Per Year	\$8,000
Days Open Per Year	365
Cost Per Day	<b>\$21.91*</b>

\*Calculated by dividing the Cost Per Year by Days Open Per Year.

Look at it this way. **With a Cost Per Day of \$25.21**, if the average drive-through transaction nets around \$2.50, a QSR would have to sell around ten more meals per day for the sign to pay for itself. Anything beyond that is pure profit.

**Depending on your daily sales volume, it is very possible that a 15% increase in sales would allow the sign to pay for itself within one to two years.**

**Fun fact:** 50% of all consumer goods are purchased on impulse (sba.gov).

## Daypart Your Message. Schedule with Ease.

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Why advertise breakfast specials in the afternoon? Or the latest dinner item during the morning hours? With an electronic message center, you can tailor your message to the time of day, time of week, or time of year.

For example, you can advertise early bird or happy hour specials as they're happening. Did you end up with a surplus of a particular food item? Promote it (and sell it) instead of having to get rid of it.

If you talk with other QSR owners with digital signs, you'll hear all sorts of creative (and effective) ways to drive traffic and drive sales:

- Offer different menu items throughout the day to promote new products and impulse buys.
- Change menu specials hourly or daily to promote diverse items or test best results.

- Promote new coffee flavors or seasonal treats.
- Announce local events to show your community involvement and support.
- Display help wanted ads for open positions.
- Update customers with current time & temp displays.
- Run daily, seasonal & holiday messages to show personality.

Some restaurants are even using their digital signage to support their social networking activities, driving customers to Facebook, Foursquare, Groupon, and other similar sites. This creates another opportunity for customer engagement and can help inspire good old-fashioned word of mouth, even though it's a new way of doing it.

## Why Watchfire?

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Once you decide that an LED sign is right for your business, you need to determine which LED sign manufacturer is right for your business. Watchfire has been designing and manufacturing electric message signs since 1932 and, today, is one of the world's leading LED sign manufacturers. We offer:

- **Highest Quality.** Watchfire signs have the highest uptime of any manufacturer in the industry. One of the reasons for this is that we've driven the number of connections in our signs to the minimum. Fewer connection points means higher predicted reliability for the life of your sign.
- **QSR Custom Sign Content.** Our creative team can provide artwork that features the latest products and promotions, while faithfully representing your brand.
- **Unmatched Durability.** Watchfire LED signs are rigorously tested for moisture resistance and durability and in extreme temperatures from -40° to 140° F. Not that this would ever happen, but a Watchfire LED sign can even operate when completely submerged underwater!
- **Stellar Service.** When you buy a Watchfire LED sign through our broad dealer network, Watchfire will be with you as long as you own your sign. We provide unmatched customer support to both the dealer and you, along with our easy-to-use Ignite® Graphics Software.
- **Industry-leading 5-year warranty.** Watchfire doesn't just talk the talk. We put our money where our signs are, with our industry-best 5-year warranty.

**Grow your customer base and drive your sales to new heights.**

Your Watchfire representative can show you how.

To learn more, visit [watchfiresigns.com](http://watchfiresigns.com).

