

Hypermarket Chain Sees Immediate and Future Benefits in Digital Media System

After several failed attempts at in-store video solutions, this retailer brought together their IT and Marketing departments to work with Cisco and define a vision for what they wanted from both technical and business perspectives. They chose the Cisco Digital Media System (DMS) because it provides an IP-based, centrally controlled, highly scalable solution that gives them flexibility in content distribution, a dynamic product promotional vehicle, and the potential for generating advertising revenue.

EXECUTIVE SUMMARY
REGIONAL HYPERMARKET CHAIN <ul style="list-style-type: none"> • 187 stores
BUSINESS CHALLENGE <ul style="list-style-type: none"> • Dynamically advertise company-branded content on in-store TVs and video monitors • Find video content systems that will scale across all stores and provide special programming based on location and promotions
NETWORK SOLUTION <ul style="list-style-type: none"> • Cisco Digital Media System for Retail
BUSINESS RESULTS <ul style="list-style-type: none"> • With the new Cisco Digital Media System, playlists are controlled centrally, enabling customized programming to support special promotions in some locations • Content is fresh and timely, controlled by a two person joint team from the Marketing and IT departments • The Cisco solution makes possible future revenue opportunities from the sale of advertising to manufacturers of products sold in the stores, based on their choice of different demographic bundles

Business Challenge

In-store video advertising was not a new concept for this chain of hypermarkets in the midwestern United States. An initial attempt deploying at in-store video ended in failure, due to the cost and complexity of providing ongoing fresh content and scaling the video network to support 187 stores. Another approach involving a managed service provider that was to bring in 25% of the cost of the network in external advertising, also proved unsuccessful and was seen as diluting the store brand.

In 2009, a Cisco sales team began talking about the benefits of the Cisco Digital Media System (DMS) to the company's IT executives. As an existing Cisco routing and switching customer, the company's IT department was attracted to the fact that Cisco DMS is an extension of the existing IP network rather than a proprietary digital media system with non-standard

applications. One centralized Digital Media Manager can scale to hundreds of stores reaching thousands of customers. Cisco DMS also integrates easily into an existing Cisco IP network for easy and rapid deployment. But multiple meetings led nowhere until the Marketing department was brought into the discussion and an exploration of what could be possible with in-store digital media from a business—as well as IT—perspective followed.

Network Solution

"The customer wanted to be able to target different advertising to customers in different states and locales," says the Cisco account manager. "Previous attempts at in-store media could not provide sufficiently fresh content let alone content targeted at different demographics."

The hypermarket chain chose the Cisco DMS in 2010. The Cisco Digital Media Player 4400G was deployed at all 187 stores, centrally controlled by the Cisco Digital Media Manager version 5.2 at

the company's data center. Besides running video content on each Cisco Digital Media Player, content also plays in the TV section of each store, on all of the TVs.

T1 lines provide IP connections for the players, with content sent via File Transfer Protocol (FTP) to each player. The content then runs in a loop until newer content is downloaded.

Business Results

With the Cisco DMS, the hypermarkets are able to run special promotions based on events such as the Superbowl, Christmas, or the Academy Awards. Promotional content can be tied to specific products, such as t-shirts for a favorite team or barbecue products for the Fourth of July.

Phase two calls for 6-15 Cisco Digital Media Players per store, providing video content to other store departments other than electronics, such as grocery, music, kitchen and dining, or furniture. Screens in different departments will be able to play different content.

“As we roll out phase two, the stores are looking at putting in greeting screens at the entrances to the stores with specials and also putting screens at the end of aisles where typically products are advertised at special discounts,” says the Cisco account manager. “For example, they can show a cooking demonstration in the fine food section that highlights the different products needed to produce a particular dish and the products will be right there on the shelf.”

According to the account manager, the hypermarket media team sees Cisco DMS as a way to freshen the customer shopping experience, burnishing a more leading-edge image. The new in-store video solution allows the Marketing Department to closely track product sales to gauge the effectiveness of targeted promotional content and advertising.

PRODUCT LIST

Digital Media

- Cisco Digital Media Player 4400G
- Cisco Digital Media Manager

For More Information

To find out more about Cisco Solutions for Retail, go to:

<https://www.cisco.com/web/strategy/retail/index.html>



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