

## Scala delivers end-to-end software solutions for digital signage networks using IBM infrastructure and services.



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### Overview

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■ **Challenge**

*Find a leading-edge technology infrastructure, as well as services, to support dynamic signage solutions worldwide*

■ **Solution**

*Access to the complete line of industry-leading IBM hardware, software and services*

■ **Key Benefits**

*Ability to deliver best-of-breed dynamic signage solutions to retail store locations globally*

### A dynamic, digital sign of the times

The founders of Scala, Inc. ([www.scala.com](http://www.scala.com)) recognized early on that the convergence of multimedia and broadband technologies was rapidly changing how marketing and advertising are delivered. And they set out to help create a new advertising paradigm based on the untapped capabilities of these technologies.



A privately held company established in 1987 and based in Exton, Pennsylvania, Scala provides software and services for digital signage networks, also known as dynamic digital merchandising or networked digital signage, among other names. The company's software enables retailers of all sizes, as well as a wide range of other types of businesses, to easily and cost-effectively create, schedule, manage, distribute and dynamically play customized rich content on displays across store locations — helping to better focus advertising messages to drive sales.

### **Greater sway over customers' buying decisions**

Studies have shown that dynamic media at the point of sale can have a sizable impact on customer purchase decisions because it is more likely to be noticed than static media. At the same time, as the traditional mass market for advertising has become increasingly fragmented, retailers and advertisers have started looking for better and more efficient ways to capture customers' attention.

To get their messages out in stores, many retailers' marketing departments have contemplated or adopted the use of DVD players. Retailers consider DVD players to be a good message-delivery platform because they are inexpensive and easy to deploy. There is one important factor, however, that retailers lose sight of, according to Jeff Porter, executive vice president for Scala: "DVD players are expensive to feed. Especially if you want to create custom videos for each store location." Porter also points out that with a DVD player, the head office really has no way to know or control exactly what is playing in stores and when.

Scala's InfoChannel 3 software solutions provide a way for retailers to dynamically deliver focused messages to one or thousands of networked displays. And

because it provides a more flexible means of developing and distributing content, the total cost of ownership (TCO) can be significantly lower over time than with custom-produced DVDs. The solution suite includes InfoChannel Designer, an authoring system for creating content; InfoChannel Network Manager, a content management system for deploying content to remote locations and monitoring their status; and InfoChannel Player, which is used to play the content in the store environment.

Porter envisions Scala's solutions as an important tool in next-generation stores. "In the store of the future, displays around the store will present customers with information that is incredibly relevant to them during their visit," says Porter. "And some of our clients are really leading the charge, in terms of being able to target their in-store messaging by time of day, store location and even location within the store." Of course, the ability to do this takes more than Scala's dynamic signage software; it also involves strategically placed displays throughout the store, as well as a technology infrastructure and network to support and share content company-wide. Given Scala's focus on software, the company relies on partners to provide the hardware and network to deliver its solutions.

### **Merging business objectives**

Revolutionizing the store to improve the customer shopping experience and drive revenues is a key objective for IBM in its efforts to help retailers make the transformation to On Demand Business. And in 2002, IBM's and Scala's European organizations began exploring how the two companies could work together to provide turnkey dynamic signage solutions to clients—with Scala providing its InfoChannel suite of software and IBM providing the rest of the technology infrastructure as well as services to install and support the solutions. In 2004, these discussions were extended to North America, and a partnership was born.

According to Porter, the synergy between the two companies couldn't be better. "[The partnership] made a lot of sense in terms of our business model, where we provide the software technology infrastructure for large digital signage solution deployments," Porter states. "For large deployments, you need an army of people and access to a broad array of technology to implement the solution. And things like infrastructure, services and support are where IBM excels. So from our perspective, it's an excellent partnership and a great way to deliver full, turnkey solutions." For IBM, Scala's

ability to deliver its solutions worldwide—providing language support for each major geography—is key to supporting clients with global operations.

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—Jeff Porter, executive vice president, Scala, Inc.

### **IBM provides technology infrastructure and support services**

Together, IBM and Scala can provide retail clients with everything they need for a leading-edge dynamic signage solution. Open standards are at the heart of both companies’ solutions, making them easier to deploy and integrate with existing technology investments. “We are strong believers in open standards and nonproprietary hardware and software. In today’s demanding, fast-changing retail environment, you need to be able to connect all of your core business systems to share real-time information,” explains Porter. To this end, Scala’s software can access data from any

number of IBM servers, databases or point-of-sale systems to drive the dynamic playback capabilities of the InfoChannel Player. Scala’s InfoChannel Players run on the Microsoft® Windows® XP and XP Embedded operating systems.

Scala and its clients can turn to IBM not only for help from the deep pool of industry experts in the IBM Global Services organization, but also for access to industry-leading server, storage and software technology. Innovative IBM tools can help retailers more easily implement a dynamic signage solution enterprisewide, as well as create a unique user experience.

IBM Store Integration Framework—a technology infrastructure built specifically for the store and designed to connect store and enterprise operations to support the effortless exchange of real-time information—can seamlessly deliver the Scala InfoChannel solution from headquarters to retailers’ stores. “Store Integration Framework makes it easier to deploy InfoChannel, because the infrastructure is already there,” adds Porter.

Another possible component of the IBM and Scala solutions, IBM Everywhere Display is a unique, interactive information delivery system that augments

reality—providing information in a way that customers have likely never seen or experienced. “Everywhere Display is really cool, because it can make any surface a giant touchscreen. Because the Scala platform supports interactivity with digital signage, supporting the Everywhere Display is pretty easy for us,” says Porter.

### **All signs point to success**

Retailers that implement dynamic signage solutions gain a flexible, relatively inexpensive way to produce custom in-store media, including advertising promotions and even training materials. What’s more, the content can be scheduled for playback at any time, location or specific area within a location, and it can be pushed out from headquarters. Porter adds that dynamic signage also serves as an indirect training tool by exposing store personnel to product information and marketing campaigns in a consistent way.

The return on investment for dynamic signage solutions is also attractive. For example, retailers can pay for the solution and increase revenues by selling time on the in-store networks to companies that want to deliver focused advertising. Most important, retailers can drive sales by influencing customers as they make purchase decisions.

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Several IBM and Scala clients are already using dynamic signage to cost-effectively deliver the right messages to the right place at the right time in their stores.

Porter is optimistic that as the IBM and Scala relationship deepens, the companies' mutual solutions will help retailers worldwide redefine how

customers interact with the store environment. "The relationship between IBM and Scala is significant, because it is really all about providing the best of breed, in terms of the dynamic signage solution, as well as the services and infrastructure to deliver and support the solution," says Porter. "Given IBM's breadth of resources and depth of retail expertise, together we can successfully deliver dynamic signage solutions to retailers across the globe."

#### **For more information**

To learn more about IBM Store Integration Framework, IBM Everywhere Display and other retail on demand store solutions from IBM, contact your IBM sales representative or visit:

**[ibm.com/industries/retail](http://ibm.com/industries/retail)**



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01-05  
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