

Think about it. There are thousands of people who've never been to your door. The sign on your premises is your handshake with the public, and that handshake is the first impression being made on potential customers. Often, people judge the quality of your business on that first impression. What is your sign saying to them? Is it a blur of crowded text and graphics, illegible to drivers as they motor past your store? Does it readily and effectively tell passersby what you offer, or does it make sense only to you and your employees? Is your sign illuminated effectively? Is it being regularly maintained? What role is it playing in your business?

Ideally, signs should perform at least these three functions:

- Attract new customers
- Brand your site in the minds of consumers
- Create "impulse" sales

Attracting New Customers

Commercial advertising can briefly be described as an organized and measurable communication system designed to promote a product or a service. On-premise signage is but one method among many available to a business. Different types of small businesses require different marketing and advertising strategies. Given the expense, most small businesses cannot afford the major media advertising campaigns typically waged by large corporations. However, your on-premise sign is an economical way to display and reinforce your message. You pay for your sign once, and it works for you 24 hours a day, 7 days a week. On-premise signage has been proven to attract customers, and has also been shown to have significant economic impact.

Today's small businesses have many ways to reach potential consumers with their message: network television, cable television, satellite television, the Internet, direct mail, radio, sports and event sponsorships, outdoor advertising, newspaper and magazine advertising, licensed merchandise, telemarketing – the list goes on and on. However, it is signage that can most effectively and affordably help a business tie its other forms of advertising together, and communicate to its target audience (those actually moving through its trade area).

In fact, without a sign to identify a business location, the money spent on other media is largely wasted.







Branding Your Business

On-premise signs are a form of commercial advertising. Sometimes, it is the only indication of a business' location. Among retail businesses, it is the most ubiquitous of all advertising options. When designed effectively, a sign can combine with other media to help "brand" your business in the mind of a consumer. If your company has a trademark or a logo, it should appear alongside your business' name. Text and images on the sign should be repeated throughout your marketing mix, either when advertising through another medium (television, radio, the Yellow Pages, and so on) or within your organization (stationery, catalogs, business cards, annual reports, uniforms, vehicles, etc.). The more consistently your message is displayed, the greater the likelihood that potential consumers will remember who you are, and what you're selling. (Before we continue . . . What does it mean for a sign to be "designed effectively"? Signage professionals have identified three main guidelines:

- 1. It must be of sufficient size and height, and not be hidden or obscured by intervening traffic or other visual objects in the consumer's line of vision (power lines, streetlights, etc.).
- 2. It must display content (text and/or images) that is legible.
- 3. It must stand out from its background. In other words, a sign should possess optimum visibility, readability, and conspicuity.)

Creating Impulse Sales

Today's consumer tends to purchase goods and services both by habit and by impulse. However, studies have shown that the majority of sales come from impulse buying.

For instance, recent research from the University of California at Berkeley (which analyzed 30,000 purchases of 4,200 customers in 14 cities) found that 68% of purchases were unplanned during major shopping trips and 54% on smaller shopping trips.

To take advantage of such a consumer, your business will need an effective sign to attract their attention. Earlier, we discussed the merits of using signs in combination with other marketing efforts to help "brand" your business in the minds of consumers. This is a long-term strategy, meant ultimately to create habitual visitors to your business. Signs, though, can also be helpful in attracting impulse buyers – those consumers who may not have originally intended to visit your store.

The Institute of Transportation Engineers (ITE) does a great deal of analysis on traffic habits. One of their studies attempts to estimate how selected business types (or what the ITE calls "business land uses") are affected by motorists' impulse stops (or, to use ITE terminology again, "pass-by trips").





Impulse Stop Percentages

BUSINESS LAND USE	IMPULSE-STOP%
Service Station	45%
Convenience Market	40%
Fast Food Restaurants	40%
Shopping Centers	
• Smaller than 100,00 sq. ft.	35%
• 100,000 - 400,000 sq. ft.	25%
• Larger than 400,000 sq. ft.	20%
Discount Club/Warehouse store	20%
Supermarket	20%
Sit Down Restaurant	15%

From: Claus, J. and Claus, S., 2001.2

As the accompanying table demonstrates, the percentage of impulse stops varies by business type. While the table doesn't show every possible business type, it is clear that impulse trade is very important to many businesses. And because the stops are not planned, it is unlikely that drivers would stop without an effective sign to guide them. The goal of any business is to attract the attention of potential customers, and its sign plays a role in convincing that potential customer to stop. Signage is often the only visible clue that a business exists.

A number of surveys have been conducted over the years indicating how a sign can help you attract new business, and to brand your company's image into the mind of the consumer, and how, if designed effectively, it can create in a buyer the impulse to stop and buy. But how do these ABCs translate, exactly, into sales – the lifeblood of a business? And if there is a sales increase, is it worth the costs behind designing and installing the sign in the first place?

Source: <u>"What's Your Signage?: How On-Premise Signs Help Small Business Tap Into a</u> <u>Hidden Profit Center"</u> A Handbook Developed by The NewYork State Small Business Development Cneter Albany, New York <u>www.nyssbdc.org</u> Edited by EBSCO Sign Group





