

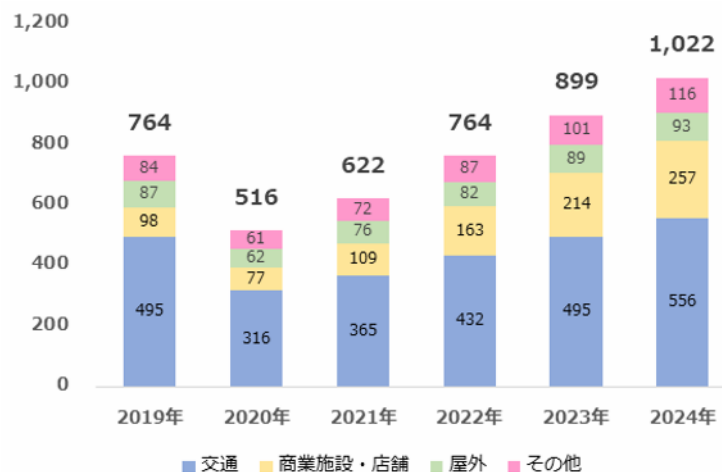
November 25th, 2020

**CCI conducted a research on the market for digital signage advertising**

**— 2020 The digital signage advertising market is expected to be ¥51.6 billion in the year, and is expected to be ¥102.2 billion in 2024 —**

**JAPAN – November 25th, 2020** - Cyber Communications Inc. (President and CEO: Akio Niizawa, hereinafter "CCI"), a group company of CARTA HOLDINGS Inc., conducted a survey on the digital signage advertising market (\*1) in collaboration with Digital InFact, Inc. (Bunkyo-ku, Tokyo, President and CEO: Tomoyuki Noshita). As a result, the scale of the digital signage advertising market in 2020 is expected to be ¥51.6 billion (68% compared to the previous year), and the forecast for 2024 is ¥102.2 billion, which is approximately twice the level for 2020.

(単位：億円)



The spread of the new corona virus has greatly changed social life and consumer behavior since the spring of 2020. Due to self-restraint on outings from spring to summer, digital signage and consumer contact at transportation, outdoor facilities, and commercial facilities temporarily declined significantly. Looking ahead, a gradual recovery in demand is forecast in line with the recovery in the economic environment.

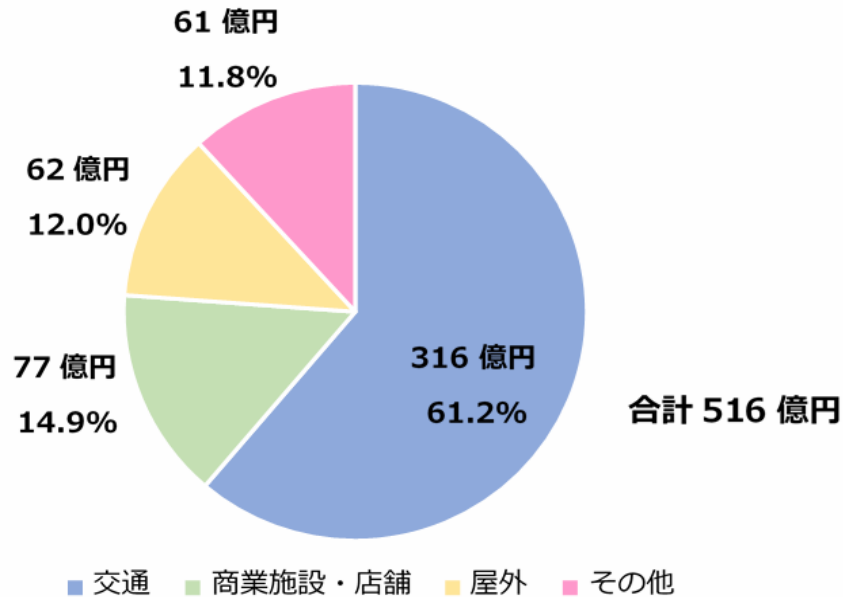
In the aftermath of the corona crisis, digital signage as a means of advertising and marketing is gaining even greater attention in the service industry as a whole amid a revision in the form of provision to customers.

As a medium that allows advertisers to communicate closely with specific consumer segments in places where they are likely to complement each other, digital signage advertising is being developed into an attractive advertising product in various commercial establishments. We expect the digital signage advertising market to reach ¥102.2 billion in 2024, approximately double that of 2020, as the industry as a whole continues to visualize advertising effects and standardize

evaluation methods, and as the use of advertising is promoted as a medium to meet the needs of more diverse advertisers.

**[Survey Results]**

■ **Estimate of the size of the digital signage advertising market by segment in 2020**



■ **Transportation**

Includes railcars, station facilities, taxis, buses, airports, and aircraft. The spread of the new corona contagious disease has greatly curtailed advertisers' placement in digital signage ads since the sharp decline in the number of transportation users since March 2020. Demand has shown signs of recovery since the second half of 2020, driven by online services that capture demand for consumers' lodging, and by advertisers who provide cloud services for various companies that promote the digitization of corporate activities.

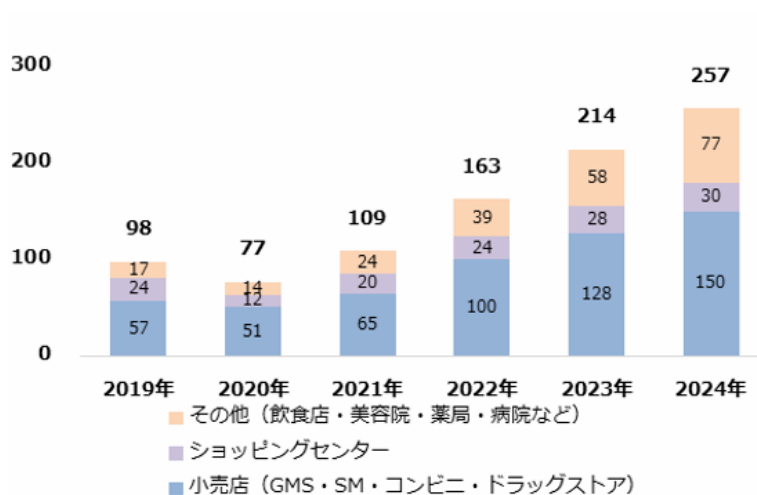
In railcars, the introduction of systems at low cost and with relatively little burden of capital investment is also advancing. In addition, some cases of programmatic advertising distribution have begun to appear. Large-scale LED displays have been introduced at major terminals, and new advertising products have begun to be offered. At airport facilities, new introduction of digital signage advertising with the user's customer lead in mind is also beginning to advance.

## ■ Commercial facilities and stores

These include supermarkets and convenience stores, drug stores and pharmacies as well as other retail and shopping malls, salons and restaurants. In supermarkets, digital signage has been attracting attention as an alternative method to face-to-face sales by conventional sales staff in sales promotion activities in stores, and is being introduced. Advertising placements from sales promotion expenses, such as those of food and beverage manufacturers that sell their products through retailers, were firm. Retailers are increasingly willing to invest in digital signage advertising as a new method of communication with visitors or as a means of income.

In supermarkets and drugstores, we are making progress in initiatives such as developing advertising products through alliances with advertising companies and cultivating advertiser customers. In addition, a common distribution mechanism has been established for the digital signage of dispensing pharmacies, and the market is expected to expand in the future.

(単位：億円)



## ■ Outdoor

As a result of the voluntary restraint on going out after the Corona crisis, traffic in the vicinity of major terminal stations declined sharply from March 2020, and advertisers' placements were also curbed. However, from the second half of 2020, it has been on a recovery trend.

In addition, alliances with major advertising agencies and major OOH media in urban areas are accelerating and the environmental foundation that can deliver programmatic advertising is steadily advancing.

It is expected to lead to a full-fledged recovery in demand for advertising from the year onward, as well as the discovery of new demand.



■ Other

As local governments introduce digital signage as part of their administrative services and disaster prevention measures, they are also paying attention to it as a new means of income, and it is expected that development and introduction will progress in conjunction with advertising media.

The number of visitors to movie theaters (screen advertising) was also severely affected by the pandemic, but after the fall of 2020, the number of visitors has been rapidly recovering with the presentation of the largest hit in the past. It is expected that the demand for advertisements will recover from 2021 on a full-fledged basis.

Segment	Primary destination for digital signage advertising in the segment
Transportation	Railroads (rolling stock/stations), taxis, airports, aircraft, bus vehicles, bus stops
Commercial facilities and stores	Supermarkets (in stores and stores), convenience stores, drug stores, beauty salons, restaurants, shopping malls, pharmacies and hospitals
Outdoor	Large vision, amusement facilities, and other digital signage installed outdoor
Other	Public facilities (municipalities, post offices, educational facilities, and other public facilities), condominiums, hotels, elevators, movie theaters

※1: Digital signage advertising is ads displayed on digitally operating signage installed in public agencies, commercial facilities, outdoors, etc. It includes those that can be used by third parties by paying expenses for advertising activities and other purposes, excluding those who install digital signage and related parties. The market size is the total annual spending by advertisers on digital signage (displayed on) advertising media. (shown above). Only media costs are included, except for some cases where media costs and production costs are considered inseparable in commerce.

※2: Source: Ministry of Health, Labour and Welfare, Example of Fiscal 2018 Health Administration Report [https://www.e-stat.go.jp/stat-search/files?page=1&layout=datalist&toukei=00450027&tstat=000001031469&cycle=8&tclass1=000001132823&tclass2=000001132824&tclass3=000001134083&stat\\_infid=000031873716](https://www.e-stat.go.jp/stat-search/files?page=1&layout=datalist&toukei=00450027&tstat=000001031469&cycle=8&tclass1=000001132823&tclass2=000001132824&tclass3=000001134083&stat_infid=000031873716)



<Summary of Survey>

Survey Targets : Businesses related to digital signage advertising

Survey method : Interview held by CCI and Digital InFact to the businesses involved in the digital signage advertising business, and data owned and published by CCI and Digital InFact regarding digital signage

Survey period : 2020 August - October

Survey entity : Cyber Communications Inc.

Survey Organization: Digital InFact Inc.

In this survey, digital signage advertising is classified into 4 categories: transportation/commercial facilities/stores/outdoor (OOH)/others, and estimates for 2020 and forecasts up to 2024 are made.

**About CCI**

CCI was established in 1996, the year digital advertising first started in Japan. Since then, as a Dentsu Group's digital marketing company CCI has been a pioneer of Japanese digital market offering a wide range of digital marketing services. Today, CCI has business with over 500 leading ad agencies and over 1500 websites, which is the largest scale for the market.

We work with media to provide value to users and enable communication between clients and users through cutting-edge marketing services based on our philosophy of "contributing to a more prosperous information society by providing innovative and reliable interactive communication services".

(<https://www.cci.co.jp/en/> )

Inquiry

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