

Inspiration through Retail Media at the Point of Sale

Retail media with digital signage does more than raise brand visibility. It can inspire shoppers. A large-scale field study with a novel measurement approach shows how audiovisual impulses, combined with the right retail media strategy, reach customers at the physical point of sale.

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TRANSLATED DOCUMENT

This is an English translation of the article *Inspiration mit Retail Media am Point-of-Sale*, which was published in German in Marketing Review St. Gallen, issue 6/2025, pages 32 to 39. The translation was produced by Cyreen and is provided for convenience only. The German original is the authoritative version; where the two differ, the German text applies. The retailer, the stores and the brands involved in the study are not named.

01

Digital signage at the point of sale lifts sales of the advertised product by 8.1% on average. The effect is emotional, context sensitive and measurable.

02

The effect is strongest for hedonic, new or low priced products, and under the right conditions of weather, time of day and store traffic.

03

Unlike price promotions, digital signage does not create a short lived sales spike. It creates genuinely additional purchases.

THE STARTING POINT

When discounts stop working

In economically tense times many companies are forced to cut spending, often at the expense of marketing. Budgets are reduced, campaigns postponed, teams shrunk. At the same time consumer sentiment weakens: shoppers act more cautiously, compare more intensively and defer purchases that are not strictly necessary. In this environment, marketing approaches that touch people emotionally and provide orientation in an overloaded shopping situation gain importance (Gielens, 2022).

Classic instruments such as discounts or price cuts fall short in these phases. They produce short term sales peaks, but at the cost of profitability. What is needed is a change of perspective: away from reactive selling with discounts, towards active inspiration (Grewal et al., 2023).

Customer inspiration aims to awaken hidden, often unconscious needs, to address them situationally and thereby create new purchase impulses (Böttger et al., 2017). This is not about manipulation. It is about

deliberately designing positive shopping experiences that inform, surprise, create emotion and invite exploration (Rudolph et al., 2012). Inspiration becomes a lever against widespread consumer restraint. Where rational arguments no longer suffice, emotional impulses are needed. Digital signage in physical retail can take on exactly this role within a retail media strategy.

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Digital signage as a source of inspiration at the point of sale

Digital signage at the point of sale is becoming increasingly relevant when the goal is to inspire shoppers in a targeted way (Gabel et al., 2024). Its particular strength lies in the combination of audiovisual impact, situational relevance and an immediate call to action. Through moving images, colour, sound and motion, screens generate attention where classic point of sale advertising is often overlooked. But how large is their actual influence on purchase behaviour? So far, the literature offers few insights on this question (Herhausen et al., 2025).

THE FIELD STUDY

237 field experiments over four years

Our comprehensive field study, using the retail media technology of Cyreen, sets out to close this knowledge gap. The data basis consists of digital screens installed in ten stores, five per store, 50 in total. The stores are located in the same region of a western European country and are operated by the same retailer. All of them mainly carry food and household goods, have a sales area of roughly 10,000 square metres and generate average annual sales of CHF 25 million. The stores follow a one stop shopping concept, which means shoppers usually arrive with extensive shopping lists and spend a comparatively long time in the store. The screens are mounted on the ceiling and located in the main aisles with high shopper traffic.

After an initial run in phase, 237 field experiments were conducted across 1,321 different days between 2018 and 2022. The stores are closed on Sundays. During the observation period there was no targeting of specific campaigns and no other optimisation of layout. Manufacturer brands pay for an agreed number of daily shopper contacts, which makes these campaigns different from classic in store advertising, where the primary metric is store footfall rather than advertising contacts.

How the data is collected

Every campaign follows the same sequence. When no shopping trolley is approaching, the screens continuously show generic static content from the retailer, without sound and without reference to specific products, for example general marketing messages or event announcements. An advertisement only starts when a trolley approaches within 5 to 10 metres, in the same aisle and facing the screen. At that moment an invisible RFID tag in the trolley activates the system, which then plays one of the video ads currently installed at random. In addition, a speaker directs the sound at the shopper. The RFID reader connected to each screen identifies which shoppers with trolleys were exposed to which ads. At the end of the trip the RFID tag in the trolley is linked to the checkout, so that advertising contacts can be matched with the receipt of that specific shopping trip, including detailed information on the products purchased and without any personal data.

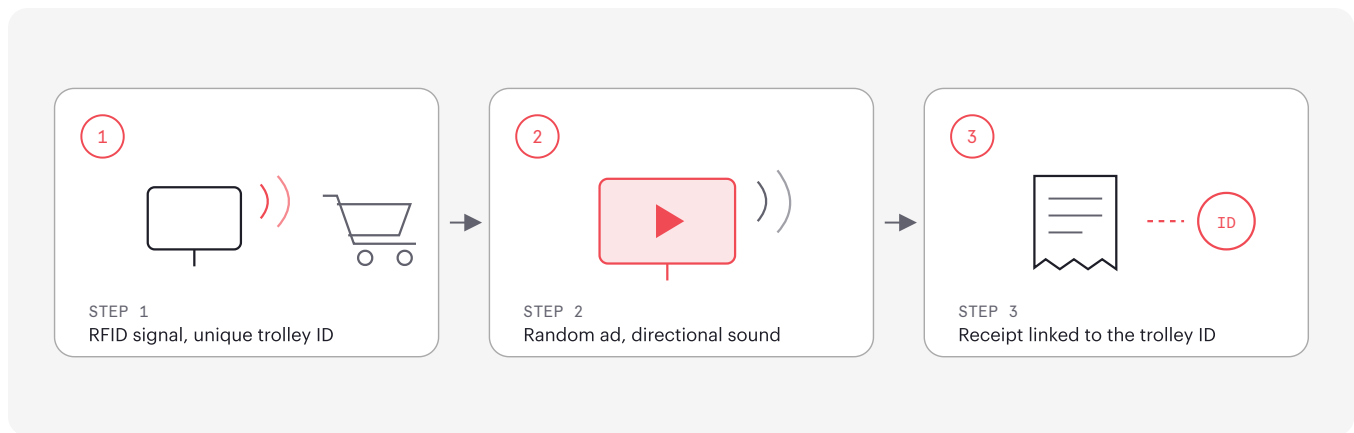


FIGURE 1, PANEL A: DATA COLLECTION WITH THE TROLLEY ID

Test group and control group

When shoppers approach a screen and are exposed to an ad at random, they belong to the test group of that specific campaign. If they are not exposed, or see a different ad instead, they belong to the control group (see also Herhausen & Henkel, 2018). The target variable is purchase probability, that is whether the shopper bought the corresponding product, yes or no, with the information extracted automatically from the receipts.

This methodology makes it possible to isolate the effect of retail media with digital signage from other possible influences through randomisation. The effects of other marketing stimuli inside and outside the store can also be ruled out, because they are constant for both groups, for example both groups visit the same store on the same day, so all other advertising influences are identical, or they are controlled for, for example price reductions. The precise analysis method is described in Herhausen et al. (2025).

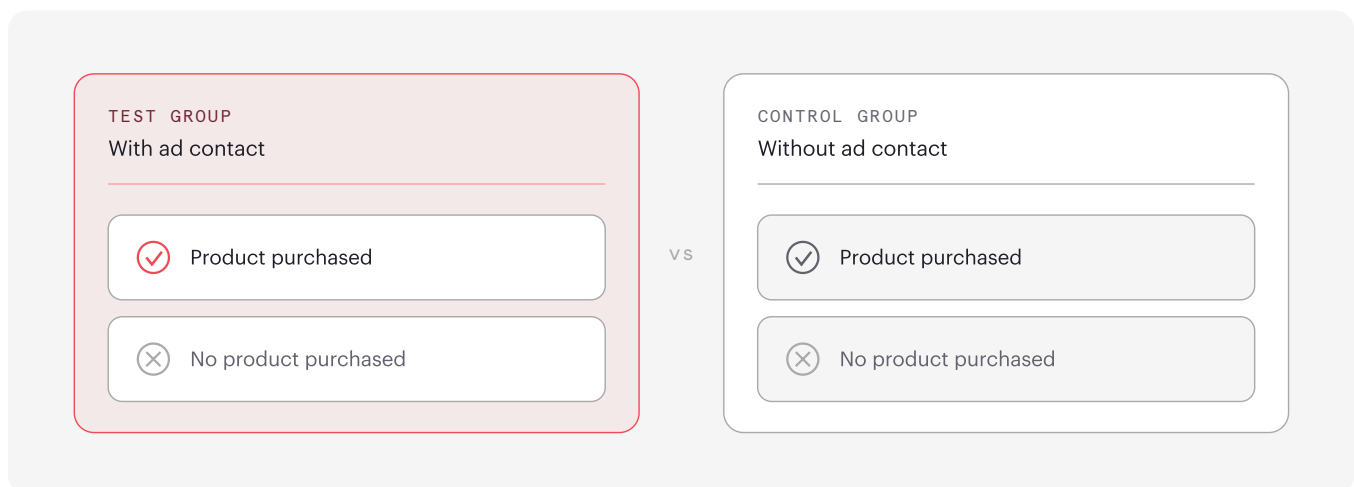


FIGURE 1, PANEL B: METHODOLOGY FOR TEST AND CONTROL GROUPS

CORE RESULTS

Screens at the shelf change what ends up in the basket

The central result of our study: the probability that shoppers buy an advertised product rises by 8.1% on average through digital signage. This is a clear causal effect, independent of promotions, price reductions or other advertising influences. The size of the effect varies by context, product type and creative execution.

+8.1%

Main effect

Digital signage raises the probability that an advertised product is purchased by 8.1% on average.

Halo effect

Beyond the advertised product, digital signage also lifts sales of other products of the same brand or category. This points to stronger brand perception and a cross category influence.

Purchase behaviour

Although digital advertising increases purchase probability, it does not change how much shoppers spend per product. This indicates that volume is driven, not discounts.

Additional purchases

Unlike price promotions, which often lead to stockpiling or shifts in timing, digital signage generates genuinely new purchases.

FIGURE 2: CORE RESULTS OF THE STUDY

Hedonic products such as snacks, sweet drinks or cosmetics showed the strongest uplift. New products benefited particularly, most likely because of the element of surprise. Emotionally designed creative worked considerably better than purely informational content. Products of well known brands performed better, because shoppers need less effort to trust them, and low prices further lowered the mental hurdle to buy. The effect was stronger in good weather, at weekends and in the evening, that is at times when shoppers are more receptive to impulses.

One finding stands out: digital advertising not only generates sales for the advertised product, it also creates positive spillover effects for other items of the same brand. At the same time a decline was observed for competing products, an indication of brand switching at the point of sale. Digital signage therefore does not only activate, it also differentiates within the competitive environment.

CONTEXT AND PROXIMITY

Impact needs the right moment and a short path to the shelf

Beyond content and product, placement plays a central role. Screens positioned in the immediate vicinity of the advertised product, less than 10 metres away, achieved a significantly stronger effect. The visual and spatial connection between impulse and availability appears to be decisive. Shoppers reach for a product more often when they can see and reach it immediately. This confirms basic principles of perception and behavioural psychology: the path from inspiration to action must be as short as possible, both cognitively and physically. When the eye moves from the screen straight to the shelf and the reach for the product follows seamlessly, attention turns into purchase intent faster.

Situational circumstances make a difference too. In well frequented stores and towards the end of the day, willingness to respond increases. There is a psychological explanation: after a long day full of decisions, shoppers have less capacity and less appetite to work through a large number of product alternatives. As a result, the need for orientation grows. Emotional purchase impulses are perceived as positive in these situations, because they support and speed up decisions. Similar effects appear for weather and day of the week. In sunshine and on Saturdays, shoppers are especially receptive. Why spend time on purchase decisions when the long awaited weekend is waiting outside?

Inspiration through digital signage only unfolds fully when content, environment and physical proximity come together in the right situation.

In practice this means that campaigns should not only be creative in their content, but also well thought through in their spatial and situational execution. Only then can digital advertising unfold its full inspiring power at the point of sale.

Product characteristics

- Hedonic products, for example snacks and cosmetics, benefit more than utilitarian ones, because they trigger impulse purchases more readily.
- New or novel products perform better, driven by discovery and curiosity.
- Lower priced items achieve a higher conversion rate, presumably because they require less deliberation.
- Well known brands work better, because they create trust and reduce the effort of choosing.

Timing characteristics

- Digital signage works better at weekends, when shoppers are more relaxed and more inclined to browse.
- Effects are stronger in the afternoon and evening, as self control declines over the course of the day.
- Good weather increases receptiveness, because it lifts the mood.
- Busy stores increase the visibility and social validation of the advertising, and with it its effect.

Campaign characteristics

- Emotional advertising appeals are considerably more effective than purely informational ones, because they work on a psychological level.
- Advertising is less effective when it is combined with additional promotions such as discounts or price tags, possibly because of cognitive overload.
- Physical proximity of the screen to the advertised product increases attention and impact.

FIGURE 3: SITUATIONAL INSPIRATION THROUGH DIGITAL SIGNAGE

MEASUREMENT

Making inspiration measurable

Inspiration was long considered hard to grasp, a feeling somewhere between attention, emotion and action. But with the increasing digitisation of retail space, the availability of precise behavioural data, new methods that comply with data protection law and the embedding of digital signage in a data driven retail media strategy, many possibilities open up to analyse and steer inspiration systematically. This study shows that inspiration can be quantified.

The combination of RFID tracking, checkout data and contextual variables allows conclusions about the direct relationship between advertising contact and purchase (Herhausen & Henkel, 2018). Metrics such as purchase probability, dwell time, campaign context, for example weather and time of day, or content category, emotional versus informational, serve as robust indicators. They make it possible to assess precisely which content and which conditions are especially inspiring. Beyond that, spillover effects on other products of the same brand or on related categories can be measured, as can displacement effects on competing products. Such relational insights strengthen the strategic case for inspiring point of sale measures compared with traditional promotions or generic advertising.

In future, new technologies such as eye tracking, facial recognition for sentiment analysis or artificial intelligence for gaze pattern detection could capture inspiration in even finer detail. In Asia these technologies are already in successful use. In western markets their deployment is currently difficult because of applicable data protection rules, the DSG and revDSG in Switzerland and the GDPR in the EU. In addition, qualitative indicators such as social media response, customer comments or digital feedback systems can provide evidence of when and through what an experience was perceived as inspiring.

One thing remains important: inspiration does not have to be complex or expensive to stage. What matters is the right message at the right time in the right place. The better advertising content is matched to the situational shopping experience, the greater its effect. Inspiration begins with empathy, and modern data make it usable.

CONCLUSION

Inspiration as the new currency in retail

Retail media with digital signage in physical retail is a strategic resource for creating new purchase impulses in economically difficult times, without resorting to discounts or pressure mechanisms. Both advertising brands and retailers can benefit when they deploy digital signage deliberately as part of a holistic retail media strategy. Digital screens at the point of sale inspire, and in doing so they sell. In a market environment increasingly shaped by information overload, restraint and rationalisation, instruments are needed that work emotionally and can be measured efficiently at the same time. Digital signage creates that connection. It combines the emotionality of classic brand communication with the precision of modern performance measurement, right at the place where the purchase decision is made.

Digital screens in retail can tell stories, create moods and charge brand images, provided they are steered in a context sensitive, creative and data based way. This study provides concrete evidence for that and shows how impact becomes plannable. For companies with limited marketing budgets in particular, this creates a considerable lever: instead of broad mass campaigns, inspiring micro moments can be created directly at the point of sale, with comparatively little waste and high relevance. Retailers benefit twice, first through higher sales of the advertised products, and second through the monetisation of their digital space as an advertising medium. In the long run, digital inspiration in retail could even contribute to competitive differentiation, for example by turning stores into experience spaces where brands are staged, discovered and experienced directly.

Retail media with digital signage has considerable potential, yet current industry analyses point out that implementation is by no means straightforward for retailers (Bundesverband Digitale Wirtschaft, 2025). Technical functionality, continuous content maintenance and robust measurement of success are decisive preconditions for successful operation. Digital solutions must not only work flawlessly in technical terms, they also have to address target groups effectively and deliver measurable results to advertisers (Bundesverband Digitale Wirtschaft, 2025, p. 22). This underlines that investments in retail media can quickly come to nothing without a clear concept for content and for the feedback loop on return on investment. It also means that retail media comes with certain investment and operating costs in order to secure that feedback loop and the measurability of the solutions.

Advertising at the physical point of sale must also address the critical aspects of data protection, standardisation and relevance. Two challenges stand out: the lack of market standardisation, and screen fatigue when content is irrelevant. Such fatigue should be avoided with dynamic creative optimisation and the context sensitive content that comes with it. Used responsibly, first party data can increase the relevance of advertising messages and improve the customer experience. It is therefore important to understand that the innovative power of retail media lies not only in the technology, but also in developing answers to questions of acceptance and data protection.

Recommendations for practice

- 1 Think of inspiration as a strategic component of marketing, not as an add on.
- 2 Integrate digital signage as a core element of a holistic, data based retail media strategy.
- 3 Use tracking technologies and performance data, for example checkout data, to measure the success of inspiring campaigns.
- 4 Plan screen placements where footfall and proximity to the product can be combined ideally.
- 5 Use emotional content deliberately to activate impulse purchases, especially for hedonic products.

For brands

Prioritise digital signage for hedonic, low priced and novel products where impulse purchases are frequent. Run emotionally engaging campaigns, above all at weekends and later in the day. Place advertising close to the advertised product and avoid combining it with other in store promotions, to keep the message clear.

For retailers

Use digital signage as a strong revenue source by selling advertising slots to brands. Apply the findings of this study to optimise pricing, placement and scheduling of advertising. Track the performance of individual slots and adjust the offer to peak times, popular products and responsive shopper segments.

FIGURE 4: RECOMMENDATIONS FOR WORKING WITH DIGITAL SIGNAGE

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