Feasibility Study

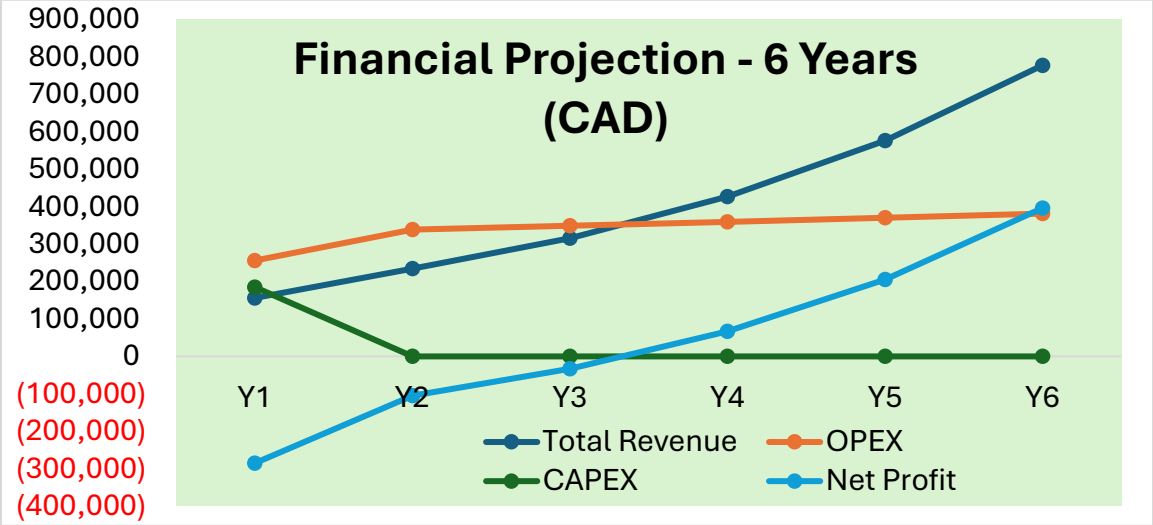
2025

Digital Signage

June 2025

Executive Summary

This feasibility study evaluates the viability of establishing a digital signage business in Canada, leveraging technological innovation and growing market demand. The Canadian digital signage industry is forecasted to grow at a CAGR between 6.9% and 9.3% from 2025 to 2035, driven by sectors such as retail, healthcare, transportation, and hospitality. The proposed business will operate under a hybrid model, combining subscription-based content management, ad-supported networks, and hardware leasing. Initial capital expenditure (CAPEX) of CAD185,000 and operational expenditure (OPEX) of CAD 256,000 are projected for Year 1, supported by seed funding of CAD 400,000.



Revenue streams include subscription fees, advertising, content creation, and equipment leasing. The venture is expected to reach breakeven by Year 4 and achieve profitability by Year 5, with a projected ROI of over 100% by Year 6. The study confirms both technical and operational feasibility, given the accessibility of display technologies, cloud-based CMS, and skilled professionals in Canada. The digital signage market's expansion, fuelled by demand for dynamic, interactive communication, makes this venture promising. Overall, the analysis supports launching the business through a lean startup approach to minimise risk and ensure sustainable scalability.

Table of Contents

1. Introduction

Digital signage refers to the use of electronic display screens-such as LCD, LED, OLED, or projection displays-used to present dynamic content, like video, images, text, and interactive media, for advertising, information dissemination, branding, or entertainment. It is controlled using software that allows for remote updates and real-time management, making it easy to tailor messages for different audiences and occasions.

1.1. History of Digital Signage

Digital signage emerged as an evolution of traditional static signs, leveraging advances in display technology and network connectivity. The earliest forms can be traced to the use of electronic displays in public spaces during the 1970s and 1980s, notably in airports and financial ticker displays. In the 1990s the widespread adoption began in retail and transportation due to falling prices of flat panel displays and the emergence of basic content management software such as Scala, 3M and NEC.

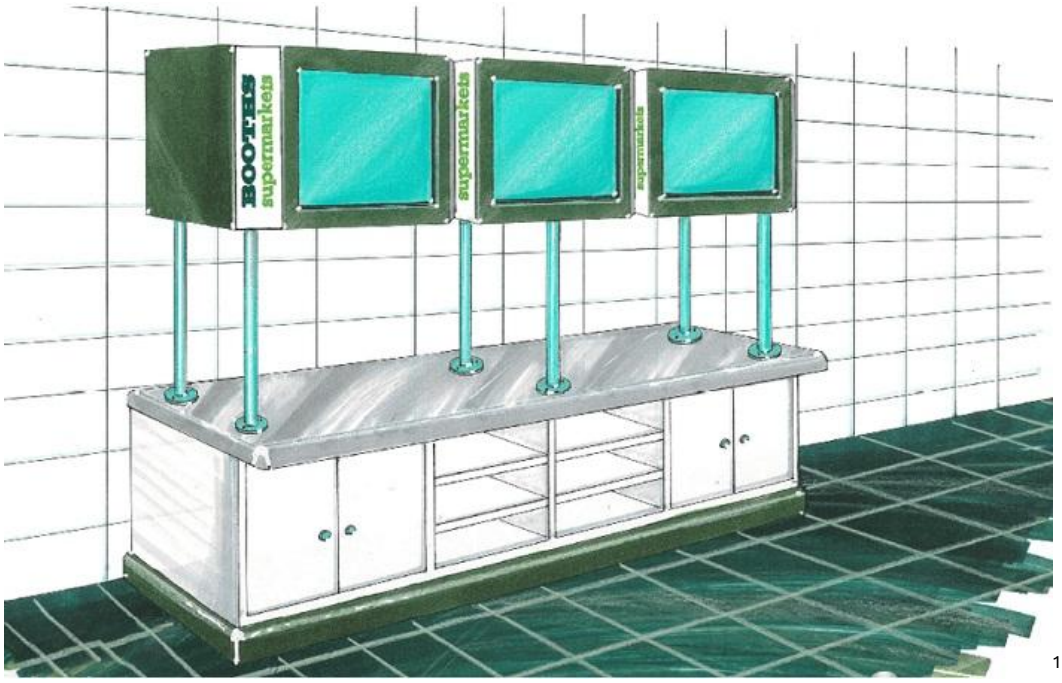
Scala, founded in 1987 in Norway, was one key player. 3M, later known for its 3M Digital Signage System, was founded in USA. The 3M underwent a significant transformation in the 1990s; previously, the company had been focused on mining and manufacturing, as its name-the Minnesota Mining and Manufacturing Company-suggests. The NEC Corporation, founded in 1899 in Japan, naturally evolved from its manufacturing roots into the digital signage market in the 1990s.

1.2. Evolution from Static to Dynamic

Digital signage evolved from static signs as a result of technological innovations and shifting business needs that transformed traditional, fixed displays into dynamic, interactive, and networked systems. In the 1970s and 1980s, advancements led to the introduction of electronic displays like LED boards and ticker tapes, which were commonly used in transportation hubs, business centres, and financial institutions.

As technology progressed, the cost of flat-panel LCD and LED screens decreased, and their quality improved in late 1990s and early 2000s. This advancement allowed for more visually engaging, versatile displays featuring images, videos, and animations, significantly

reducing the need for expensive reprints and manual updates. Furthermore, internet connectivity and the development of content management software enabled organisations to remotely update content in real-time across multiple locations, greatly increasing the flexibility and effectiveness of digital signage for businesses.



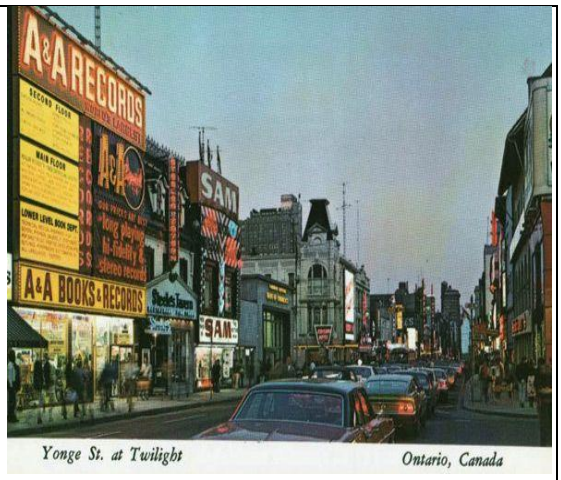
[1]

2. Canada- Digital Signage Evolution

In Canada, the evolution of digital signage has followed a trajectory similar to global trends but with unique developments tailored to local needs and industries. The journey began in the 1980s when Canadian businesses started incorporating basic digital displays, such as video screens for internal communications and employee training, benefiting from the availability of more affordable video technology. Into the late 1990s and early 2000s, the adoption accelerated with the growth of broadband internet and content management systems, allowing remote content control and expanded use in retail stores, transit systems, and public institutions across Canada.

Peter Witt streetcar, Toronto - 1925[2]	Steinberg's grocery store, 1960s

[1] https://saturnvisual.com/history-of-digital-signage/
[2] https://www.blogto.com/city/2011/11/vintage_signage_in_toronto/



More recently, Canadian digital signage has embraced advanced digital technologies including interactive touchscreens and LED video walls, Projects like the Canadian History Hall utilize numerous digital signage into public and institutional domains. Furthermore, cloud-based software and IoT-enabled intelligent signage to have become widespread, enabling dynamic content updated and personalised user interactions.

Today, digital signage in Canada spans across various sectors including retail, transportation, healthcare, museums, and hospitality. Its transformation from static traditional signs to sophisticated, networked, and interactive communication platforms reflects both technological advances and evolving business communication strategies unique to the Canadian market. This progression highlights digital signage's growing role in enhancing customer experience, operational efficiency, and public engagement. The growing adoption of digital signage technology due to increasing demand for interactive customer engagement is a major market driver.

2.1. 3D Digital Signage

3D digital signage in Canada represents a cutting-edge advancement within the broader digital signage market, which is experiencing robust growth driven by technological innovation and increasing adoption across sectors. This form of signage uses three-dimensional visuals-including holographic projections and transparent LED displays- to

create immersive, engaging experiences for viewers without requiring special glasses or equipment.

3. Digital Signage Business

With a GDP of over US$ 2 trillion and a population of nearly 40 million, Canada presents a massive opportunity for building digital signage network. The digital industry is growing rapidly within the country, but there are still a great many establishments that have yet to make the switch over from static signage. According to Broadsign[3] there are over 190,000 retail businesses, nearly 1,050 hospitals, 2,600 cinema screens, 26 airports and 10 transit networks. These venues are in addition to main business centres or crowded marketplaces, highlighting the vast potential market.

According to Grand View Horizon report[4], the Canadian digital signage market is projected to grow significantly, with a CAGR (Compound Annual Growth Rate) of about 9.3% from 2025 to 2030. In 2024 the revenue was US$2.92 billion that is expected to touch US$4.98 billion by the end of 2030. Reflecting increasing demand for advanced display formats like 3D signage and transparent LED screens. Such displays are rapidly gaining traction in retail, public spaces, transportation hubs, and events where brands seek to captive audiences with impactful, memorable content.

However, another report from market Research Future[5], slightly different outlook with much more conservative outlook. According to the report, the Canadian Digital Signage market is projected to grow significantly from US$1.2 billion in 2024 to US$2.5 billion by 2035. Market is expected to experience a CAGR of 6.9% from 2025 to 2035.

The target segments on digital signage are as following;

1. Retail & Malls: digital advertising and promotions
2. Healthcare & Education: patient/student information and alerts
3. Corporate Offices: internal communication and branding

[3] https://broadsign.com/digital-signage-software-canada/
[4] https://www.grandviewresearch.com/horizon/outlook/digital-signage-market/canada
[5] https://www.marketresearchfuture.com/reports/canada-digital-signage-market-54891

4. Transportation: airports, metro, bus terminals
5. Hospitality: restaurants, hotels digital menu boards

3.1. Top Digital Signage Providers in Canada

According to a report on the Canada Digital Signage market, some of the key players providing hardware equipment include Samsung Electronics, BrightSign, RMG Networks, Panasonic Corporation, Omnivex, LG Electronics, Sharp Corporation, Scala, Netpresenter, Visix, Sony Corporation, Rasberry Pi, and Dynamax Technologies.

Many local SMEs also offer services such as installation, hardware leasing, and content management. These companies include NTFS (national Technical Field Services, NetVisual, Pickcel, Media Tile, firmCHANNEL, VIEWitMEDIA, Signcast Media, Telemetry TV and IQ Interactive.

3.2. Signage business inside Factory

The true power of modern digital signage lies in its ability to automate and integrate. According to the Pickel report[6], beyond energy conservation, factories can reduce operational costs by up to 23% by cutting printing expenses, minimising downtime, and optimising manpower.

Scalability is another benefit, allowing companies to manage more screens without hiring more staff. Automated content distribution enables businesses to scale their signage network from 10 to over 1000 locations with minimal manual effort. The comparison of the key differences between static and dynamic signage is provided in Table 1.

Table 1: Static and Dynamic Signage in a Factory

Aspect	Traditional Bulletin Board	Digital Signage
Update Speed	Slow (manual)	Instant (cloud-based)
Engagement Rate	Low	High (visual content)
Multilingual Support	No	Yes
Real-time Data	No	Yes

[6] https://www.pickcel.com/blog/canadian-factories-use-digital-signage-for-efficiency/

Safety Alerts	Manual/Delayed	Real-time
Operational Cost (long-term)	Medium-High	Low

3.3. Signage business inside Hospitals

Digital signage provides real-time updates of waiting times, appointment delays, emergency alerts, or procedural changes, keeping patients and visitors informed and reducing perceived wait times. According to Samsung report[7], it reduces waiting room anxiety, in surgical waiting rooms, digital signage can share status updates with family, using assigned numbers rather than names to protect patient privacy.

In Calgary's South Health Campus Hospital, directory signage helps visitors locate departments, check visiting hours, see doctor profiles, and access maps, all delivered via touchscreen signage. Similarly, Memorial Regional Hospital implemented a signage network that cut wayfinding inquiries by over 40%[8] and improved satisfaction scores via environmental messaging.

[7] https://insights.samsung.com/2023/12/14/7-benefits-of-digital-signage-in-hospitals-3/?utm_source

[8] https://digitalsignage.com/_html/healthcare-memorial-regional.html?utm_source

4. Technical & Operational Feasibility

There are multiple layers in the business model within the digital signage business, such as:

- Hardware Leasing and Subscription model: This involves providing screens and media players.
- Content-as-a-Service: This model involves the design and ongoing updates of content.
- Ad-Supported Networks: In this business model, the company partners with retail or transport venues.
- Hybrid Model: this combines recurring revenue from subscriptions with project-based revenues.

4.1. Infrastructure Requirements

Infrastructure that are mostly needed in digital media signage are commercial grade displays (32”-98”), media players that generally are provided by BrightSign, Android-based, or SoC-enabled screens. Cloud-based CMS that is also mostly provided by large players such as BroadSign and ScreenCloud. Installation and technical support teams. Content design studio or outsourced creative partners.

5. Financials

The financials are with the assumption of seed money of CAD400,000. Hardware deployment in year one is between 30 screens to 50 screens, scaling up with profits. We expect to have five staff members along with the CEO. The staffing and salaries are as following:

Table 2: Staffing Plan and Salaries

Role	Salary (CAD)				
	Year 1	Year 2	Year 3	Year 4	Year 5
CEO (Founder)		75,000	77,250	79,568	81,955
Sales/Business Manager	65,000	66,950	68,959	71,027	73,158
Content Designer	55,000	56,650	58,350	60,100	61,903

Technician/Installer	55,000	56,650	58,350	60,100	61,903
Admin/Support	40,000	41,200	42,436	43,709	45,020
Total Salaries	**215,000**	**296,450**	**305,344**	**314,504**	**323,939**

Here, the CEO/Founder (s) will not draw salaries in Year 1 (equity based)

We assume the office rent is based on a small 4–5-person office in a major Canadian city (Toronto or Vancouver). Rent is CAD3,000/month that is CAD 36,000 per year. Utilities and internet and miscellaneous cost per year is CAD5,000 per year. Here, we would assume rent escalation 3-4% per year.

5.1. Revenue Projections

Revenue projections are based on the lower-end of the Canadian market norms. Such as, in bundle digital signage service plan, that includes:

- **Content Management System (CMS) license** (e.g., Broadsign, ScreenCloud, or proprietary SaaS).
- **Content scheduling and updates** (1-3 updates per month)
- **Cloud hosting and analytics dashboard access**
- **Technical maintenance and remote support**

Table 3: Revenue Projections (Canadian Dollar)

Year	Clients	Subscriptions (avg CAD700/mo)	Ad Network Revenue	Content Services	Hardware Leasing	Total Revenue
1	10.00	84,000	12,000	24,000	36,000	**156,000**
2	15.00	126,000	18,000	36,000	54,000	**234,000**
3	20.25	170,100	24,300	48,600	72,900	**315,900**
4	27.34	229,635	32,805	65,610	98,415	**426,465**
5	36.91	310,007	44,287	88,574	132,860	**575,728**

Basic cloud-based CMS subscriptions in Canada start around CAD 10-50 per screen/month[9]. PixelsPrint[10] charge CAD39.99/mo per screen for a small number of screens and then reduced rates as per additional screen beyond a threshold, e.g., from sixth screen CAD9.99 per month. We would require reaching 5 to 10 screens per client to touch the level of CAD700/mo/client. Variable cost in it is the content, analytics, real-time updates and multi-location.

Ad network revenue is additional revenue that can be generates through the existing screens that is around CAD10 per screen per month. Content services revenue could vary that is based on creation, management, and delivery of multimedia content that is displayed on digital signage screens. The charges are CAD20 per screen per month.

Hardware revenue depends on indoor or outdoor screens. Based on indoor standard commercial setup the charges are between CAD45 to CAD150 per month per screen[11]. We have taken towards the lower end of the rates as CAD50 per screen per month for minimum of five screens.

5.2. CAPEX (Capital Expenditure)

Therefore

Table 4: CAPEX (Capital Expenditure)

Item	Description	Estimated Cost (CAD)
Office setup & furnishings	Small 4–5-person workspace (Toronto/Vancouver)	25,000
IT & software infrastructure	Servers, CMS licenses, project management tools	40,000
Display demo units & media players	20–25 demo screens for clients	50,000
Company vehicle / installation tools	Transport for hardware installation	30,000
Legal, incorporation & permits	Setup, insurance, accounting	15,000
Initial marketing & branding	Website, promotional content, trade shows	25,000

[9] https://nationalneonsigns.ca/how-much-does-it-cost-to-install-digital-signage/?utm_source
[10] https://pixelsprint.com/en/digital-signage/?utm_source
[11] https://www.fugo.ai/blog/digital-signage-prices/

Total Initial CAPEX (Year 1)		**185,000**

5.3. Profit & Loss Projection

The business is expected to breakeven during the fourth year, but the company will become profitable from sixth year with surge in client base scales.

Table 5: Net Profit - Projected - 6 Years

Year	Total Revenue	Total Salaries	Rent + Utilities	OPEX	CAPEX	Net Profit
1	156,000	215,000	41,000	256,000	185,000	**(285,000)**
2	234,000	296,450	42,230	338,680	0	**(104,680)**
3	315,900	305,344	43,497	348,840	0	**(32,940)**
4	426,465	314,504	44,802	359,306	0	**67,159**
5	575,728	323,939	46,146	370,085	0	**205,643**
6	777,232	333,657	47,530	381,187	0	**396,045**
						246,227

On yearly basis the return on investment from year four is positive as seen in Table 6.

Table 6: Return on Investment

Year	Net Profit	CAPEX + OPEX	ROI (%)
1	(285,000)	441,000	-64.63%
2	(104,680)	338,680	-30.91%
3	(32,940)	348,840	-9.44%
4	67,159	359,306	18.69%
5	205,643	370,085	55.57%
6	396,045	381,187	103.90%

6. Risk & Mitigation (Lean Startup)

Following the lean startup framework, the primary risks identified include market adoption, technological challenges, competition, and cash flow management. To mitigate market risk, the business will adopt a Minimum Viable Product (MVP) strategy, deploying a small network of 30-50 screens in Year 1 to test customer response and refine service offerings and the costing. Technological risk will be minimised through partnerships with established hardware and CMS providers such as Broadsign, BrightSign, and ScreenCloud, ensuring reliability and scalability.

Competitive risk will be mitigated by differentiating through flexible subscription pricing, localised content services, and real-time analytics dashboards. Financial risks will be managed via lean operations, outsourcing content design, minimising fixed overheads, and reinvesting early profits into market expansion.

Continuous customer feedback loops will guide product evolution, helping identify high-performing sectors like healthcare and retail. Data-driven decision-making will inform pricing, marketing, and deployment strategies. The iterative, test-and-learn approach will prevent overinvestment before product-market fit is achieved, while measurable key performance indicators (KPIs) such as client retention, screen uptime, and recurring revenue will ensure transparency and strategic agility.

7. Conclusion

The feasibility analysis demonstrates that launching a digital signage business in Canada presents a compelling opportunity aligned with global trends toward digitised communication. With increasing adoption across sectors such as retail, healthcare, education, and hospitality, digital signage has become an essential tool for engagement and branding. The study confirms the market's capacity for growth, projected between CAD2.5 billion and CAD 4.9 billion by 2030, driven by 3D and cloud-integrated technologies.

Financial projections show the company can transition from negative returns in the early years to profitability by Year 4, reaching an ROI of over 100% by Year 6. The hybrid revenue

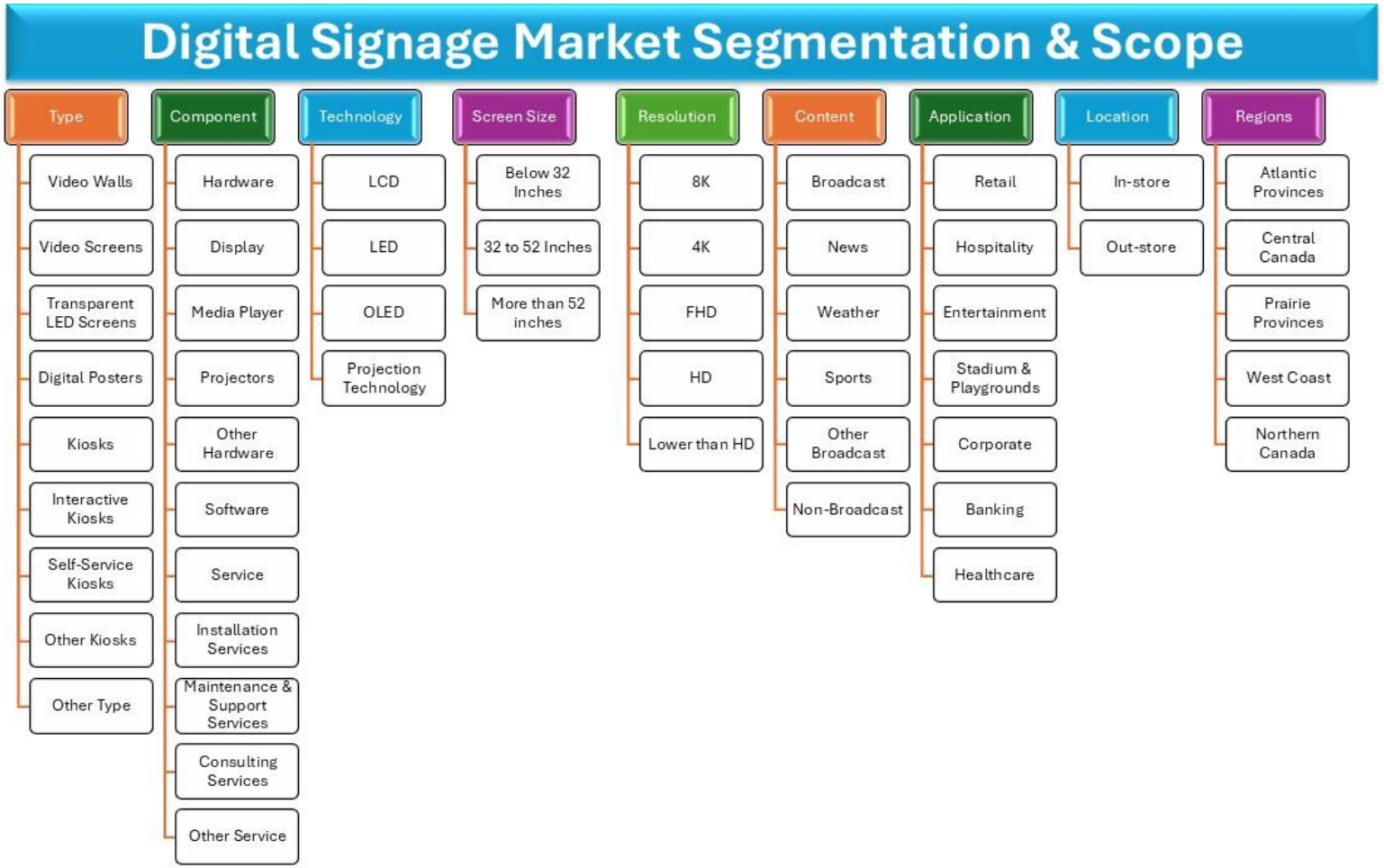
model, combining subscriptions, content services, and ad-supported networks, ensures recurring income and operational resilience. Additionally, Canada's strong infrastructure, digital ecosystem, and skilled workforce support technical feasibility and scalability.

By following the Lean Startup methodology, the business will emphasise experimentation, validated learning and iterative design. This approach reduces financial exposures, accelerates market feedback, and enables continuous improvement. Partnerships with hardware and software providers will enhance efficiency, while targeted marketing in key sectors will drive early adoption.

In conclusion, the project is both financially and operationally sound. The growing demand for immersive, data-driven communication platforms positions the venture for sustainable success. Implemented strategically, the digital signage business can achieve strong market penetration, profitability, and long-term impact within Canada's expanding digital economy.

Appendix I

Figure 1: Digital Signage Market



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