

# THE VALUE OF SIGNAGE



**TSA STATEWIDE INITIATIVE**

**SIGNS A VALUABLE BUSINESS ASSET**

On-premise signs are a part of our every day lives. Yet, rarely does anyone stop to ponder the effect they have on our local economy, area businesses and even public safety. For businesses, on-premise signage is often one of the last things considered when opening a business or new location. However, a quality, professionally installed sign can be a business' greatest marketing asset. Investing in a sign should be something that businesses consider as carefully as the rest of their business strategy and as an important component of their marketing plan.

Signs serve a number of pertinent functions for businesses, including:

**1) BRAND EQUITY BUILDER**

Your on-premise sign is one of the first impressions your potential customer has of your brand. It communicates the pride you have in your business and how you value your brand. The quality of the sign work can set the tone for your business, communicating to your customers that attention to detail and quality are important to you. It sets the expectation that your products and services are delivered with that same focus. The sign is also often the first opportunity you have to show a customer who you are and what you do. When done well, an on-site sign can provide customers with the flavor and characteristics of your brand.

**2) ALWAYS ON ADVERTISING**

Unlike other advertising vehicles that you purchase in terms of number of exposures, on-premise signage works for your business 24 hours a day, seven days a week. Because of this, your on-premise sign is likely to be your most cost-effective marketing tool that provides the best long-term value. It allows you

to make an impression on customers and prospects whether they are looking for your products and services today or whether they subconsciously store the information for future use.

**3) PROMOTES PUBLIC SAFETY**

Signs provide drivers with a great reference point as to where they are and where their destination is. On-premise signage must be large enough and placed in a manner that alerts a driver to your location in providing them plenty of time to safely react. Further, a poorly placed sign that a driver misses may even cause you to lose a sale if the customer isn't willing to maneuver around or backtrack to your location.

**4) GENERATES QUICK REVENUE**

Especially if your business relies on impromptu or impulse purchase, an on-premise sign is one of your most valuable assets. In many other forms of advertising, you tell your potential customer about your business and then they decide whether or not they will purchase. With on-premise signage, the communication to the customer and the decision they make to visit your business is instantaneous.



**THE VALUE PROPOSITION – QUALITY + SAFETY**

So, now that it's clear what a sign can do for your business, let's focus on the key considerations for purchasing a sign that gives you as much longevity and return on investment as possible.

**QUALITY**

It seems that everyone sells quality these days, however, it requires looking under the hood to understand what this really means when it comes to an on-premise sign. Here are a few things to ask your sign provider:

- What is your track record for sign longevity?
- How much, if any, of your manufacturing do you outsource? How do you oversee the quality of your vendors?
- Ask for references and check out the quality of their work.

Let's face it – cost is always a top consideration. However, it is important to look carefully at the cost over time rather than the upfront investment alone. If your sign is not of the quality that will allow it to serve your needs for at least a couple of years, consider what it would cost to replace it if something malfunctions or it falls apart.

**SAFETY**

There's more to a sign than meets the eye. If your sign has any kind of movement or lighting, it uses electricity. There are a number of stringent local, state and federal regulations regarding electrical installations of any type, including on-premise signage. It is very important that you choose a sign company that is fully licensed and participates in ongoing education to stay up to date on all the requirements and standards for electrical work. Further, ask if the sign company carries workers compensation insurance to cover the employees installing the sign and protect you from that liability. Liability is another critical factor to consider in the safety of your sign. Is your pole sign installed correctly so as to prevent any potential injury?

**RETURN ON INVESTMENT**

The return you can expect to see on your on-premise sign varies by your location and type of sign. However, you can use this simple formula to calculate your estimated return on investment.

**FORMULA:**

Cost of Sign / 1000 vehicle exposures  
 Monthly Cost divided by Monthly Exposures

**EXAMPLE:**

Initial cost of the sign - \$33,000  
 Includes production and installation of two faces, or sides.  
 Amortization period – 7 years  
 Cost of sign, per month – \$393.00  
 Estimated traffic count (cars/day) – 60,000

Calculation: \$393.00 / 1.8 million  
 Cost/1000 Exposures = 0.22

Compare this cost per thousand exposures rate to your other advertising vehicles and you'll quickly discover the cost-effectiveness and efficiency of your on-premise sign.

Without proper installation, you risk liability if someone is hurt if any part of the sign falls off. If your sign is ground-mounted, does it allow for enough vehicle visibility or is it far enough away from the parking area so that a person cannot run into it? Needless to say, someone getting injured on your property isn't exactly great for business. Why risk it? Using a professional, licensed sign company eliminates the headaches upfront and minimizes risk for the future.

**CHOOSING A SIGN COMPANY**

In most areas, there are a number of companies specializing in a wide range of on-premise signage types and materials. Services can also vary greatly by company, including design, manufacturing, installation, retrofitting of buildings, securing of

permits, and even long-term maintenance agreements. Many sign companies also specialize in a specific kind of on-premise sign. If you want a molded plastic sign, you might choose a different sign company than if you want a carved wood sign. If you want a neon sign, you might not go to the same manufacturer as you would for an electronic message center.

Shopping for a sign company is just like shopping for any other company. Look for signs you like and ask the business owners to tell you who built it for them. It is a good idea to comparison shop, look at examples of signs the company has built and decide whether the company is capable of meeting your particular needs. Cost, quality, and follow-up service are obviously important considerations, as well as the variety of other services that may be included.

### ON-PREMISE SIGN COMPANY CHECKLIST

Below are the key items you should consider when looking for a provider for your on-premise signage.

- Is the sign company a member of a professional organization, such as Texas Sign Association?
- Is the sign company fully licensed and registered?
- What is the sign company's track record with customers? Do they have a good reputation?
- Has the sign company had any complaints filed against them for safety or quality issues?
- Is the sign company insured for installation liability?
- What is the sign company's process for estimates? Do they fully survey your site to ensure that their recommendations are conducive to the overall environment and safety at your site?
  - Is the sign company fully versed on your city or town's sign ordinances?
  - What is the sign company's history of working with the city on ordinance issues?
  - Does the sign company offer cleaning and maintenance services, which are key to keeping your sign safe and in good working order?
  - Does the sign company have experience creating the type of sign you want?
  - Is the sign company socially and environmentally responsible?
  - Does the sign company offer site visits to evaluate equipment and abilities?
  - Can the sign company provide examples of their work in the community?



### THE TEXAS SIGN ASSOCIATION

The Texas Sign Association (TSA) is a statewide professional organization serving sign companies and partners. TSA is dedicated to improving the value and perception of the on-premise sign industry in Texas for members, businesses, government entities and the public through professional education, advocacy and quality standards. TSA members are held to the highest standards in innovation, design, manufacturing, installation and maintenance of on-premise signs. When you choose to work with a TSA member for your on-premise sign, you can rest assured that they meet all

of the requirements for licensing and are specially trained in safety standards. Because TSA works collaboratively with local and state lawmakers, you minimize risk of costly fines for having a sign that is out-of-compliance when you work with a member company.

To learn more or to find a member of the Texas Sign Association, visit [www.txsigns.org](http://www.txsigns.org).

## ON-PREMISE SIGNAGE KEY TERMINOLOGY

**Animated Sign:** A sign depicting action, motion, light, or color changes through electrical or mechanical means. Although technologically similar to flashing signs, the animated sign emphasizes graphics and artistic display.

**Awning Sign:** A building-mounted sign that provides additional functionality as shelter.

**Banner:** A temporary sign of lightweight fabric or similar material that is mounted to a pole or a building. Promotional banners include those used to announce open houses or grand openings, or to advertise special events. Ornamental banners use images or colors of a decorative nature.

**Bench Sign:** A sign located on the seat or back of a bench or seat placed on or adjacent to a public right-of-way; a type of street furniture.

**Building-Mounted Sign:** A sign that is applied or attached to a building.

**Cabinet Sign:** A sign structure consisting of the frame and face(s), not including the internal components, embellishments, or support structure.

**Canopy Sign:** (1) A building-mounted sign functioning as a marquee. (2) A sign mounted on a marquee or attached to or printed on the fascia or valence of a canopy, awning, or marquee, or hanging from the soffit (underside) of such structure. (See *awning sign*; *marquee sign*.)

**Directional Sign:** Signs designed to provide direction to pedestrian and vehicular traffic.

**Directory Sign:** A sign that identifies the names and locations of tenants in a multi-tenant building or in a development made up of a group of buildings.

**Double-Faced Sign:** A sign with two parallel faces.



**Electric Sign:** Any sign containing or using electrical wiring.

**Electronic Message Center:** A variable-message sign that utilizes computer-generated messages or some other electronic means of changing copy. These signs include displays using incandescent lamps, LEDs, LCDs, or a flipper matrix.

**Freestanding Sign:** A sign that is not attached to a building.

**Full-Service Sign Companies:** Sign companies that complete the entire signage project, including site survey and sign design, engineering, manufacture, permitting, installation, and maintenance.

**Ground Sign:** A freestanding sign with no visible support structure.

**Illuminated Sign:** A sign with electrical equipment installed for illumination at night or in early morning darkness, either internally illuminated through its sign face by a light source contained inside the sign or externally illuminated by reflection of a light source aimed at its surface.

**Monument Sign:** A ground sign with low overall height.

**Neon Sign or Tube:** A sign utilizing a cold-cathode-gas discharge tube produced in straight or formed configuration; generally referred to as a neon-gas discharge tube, whether filled with neon or a mixture of two or more other inert gases (argon, helium, krypton, or xenon). Neon-tube lighting is a custom designed, optimally visible lighting system that may be shaped to form letters, parts of letters, skeleton tubing, outline lighting, and other decorative elements or art forms, in various colors and diameters. The cold-cathode tube can operate for many years, while the hot-cathode fluorescent lamp is limited to a relatively short life, as is the incandescent bulb.

**On-Premise Sign:** A sign whose message and design relates to a business, profession, product, service, event, or other commercial activity sold, offered, or conducted on the same property where the sign is located. Signs in the on-premise category are not considered out-of-home media.

**Painted Wall Sign:** A sign painted directly on a building surface. If the sign is a third-party/outdoor advertising display, it may be several stories high and designed for high-impact visibility. *(See building mounted sign.)*

**Pole Sign:** A freestanding sign with visible support structure.

**Post and Panel Sign:** An unlighted sign that uses one or more visible posts to support the sign body.



**Projecting Sign:** A building-mounted sign with the faces of the sign projecting from and perpendicular to the building fascia.

**Pylon Sign:** A freestanding sign with a visible support structure, which may or may not be enclosed by a pole cover.

**Temporary Sign:** Any sign not intended for permanent installation. Generally, these signs are intended to be used for a limited period of time for purposes such as announcing special events or sales, announcing the sale or rental of property, supporting political positions, or presenting other miscellaneous or incidental information or instructions.

**Variable-Message Sign:** A sign that includes provisions for message changes. Also called changeable copy panel, changeable-copy sign, time-and-temperature sign, electronic message center, or menu board.

**Window Sign:** A sign that is painted on, attached to, or suspended directly behind or in front of a window or the glass portion of a door.

**ADDITIONAL RESOURCES**

There are a number of additional resourced you can check out to learn more.

- Texas Sign Association  
[www.txsigns.org](http://www.txsigns.org)
- International Sign Association  
[www.signs.org](http://www.signs.org)
- Small Business Association  
[www.sba.gov](http://www.sba.gov)
- International Code Council  
[www.asivcs.com](http://www.asivcs.com)
- Texas Department of Licensing and Regulation  
[www.license.state.tx.us](http://www.license.state.tx.us)
- Municipal Code Cooperation  
[www.municode.com](http://www.municode.com)

