

THE WAL-MART TELEVISION NETWORK

In-store video rivals cable television for viewership and advertising revenue

"We initially regarded Visual Circuits as an important technology vendor. As our business has developed, they've become one of our most important strategic partners."

Sean Moran
Senior Vice President, Premier Retail Networks

Over the past three years Wal-mart has created an in-store video advertising, marketing and promotions network called Wal-mart TV, consisting of video monitors and interactive displays placed throughout the stores. The goals of Wal-mart TV include more effectively informing, influencing and entertaining in-store guests in order to drive incremental sales, while establishing a foundation for an entirely new revenue source from paid, in-store video advertising. Manufacturers advertising on Wal-mart TV are taking advantage of the roughly 145 million impressions registered each month, as Wal-mart shoppers traverse their nearly 2500 stores throughout the US. In a study designed to measure the effectiveness of Wal-mart TV, Nielsen Media noted a 57% average brand recall compared to an industry average of 24% for ads watched on TV at home.



The task of designing and building the infrastructure needed to support the Wal-mart TV Network fell primarily to San Francisco-based Premier Retail Networks (PRN). As they assessed the task at hand, PRN turned to Visual Circuits for assistance on the in-store components of the solution. The initial plan called for four video output channels per store and a video server capable of integrating with Wal-mart's satellite content distribution network and PRN's broadcast scheduling, playback and monitoring application. The content strategy included programmed, live and interactive content and the business strategy, built around an advertising revenue model, demanded mission-critical performance. And scalability was essential, as Wal-mart's plans to grow the network beyond four channels per store were realized even before the first servers were installed.

The solution

Wal-mart TV:

- ReelTime 4 with RT Daughter Board
- Visual Circuits SDK
- Programmed, Live and Interactive content

Partners:

- Premier Retail Networks
- Dell Computers

Visual Circuits engineers worked closely with PRN to design a solution around our ReelTime 4 multi-channel MPEG-2 video playback circuit board, MS Windows drivers and our custom Software Developers Kit. At the time, the ReelTime 4 was the core technology residing within all Visual Circuits video servers and is still used today to drive the Visual Circuits' DVP Server Pro series of video servers. The result was a custom solution, designed to specifically address PRN and Wal-mart specifications and built and supported by Dell Computers. Today, that same system supports more than 30,000 displays in nearly every Wal-mart store in the country and is a part of each new store opening. And the Wal-mart Television Network has revolutionized in-store promotions and advertising, while establishing a new media category that truly rivals traditional Cable Television.

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