

TOWN OF  
**QUEEN CREEK**  
ARIZONA

# NIW Vision Advertising Display Program UPDATE

Aug 1, 2012



# NIW Vision Advertising Display Program

## Relevant Council Goal:

**KRA 8:** Land Use / Economic Development

**Objective 8:** Enhance the opportunities for Queen Creek businesses to succeed.



# History

- June 2011 Council request
- NIW Vision system



# NIW Vision Advertising Display Program



# NIW Vision Advertising Display Program

## Description of Service

- ❖ NIW Vision
- ❖ Place high-def monitors in high-traffic locations
- ❖ Digital ads scroll continuously
- ❖ Typical model
  - ❖ NIW Vision installs the system (\$500 install fee)
  - ❖ System scrolls through 30 slides every 5 minutes
  - ❖ Town sells 15; NIW Vision sells 15
  - ❖ Current price for ad: \$300 per quarter
  - ❖ Slides are static; no video
  - ❖ Up to 3 of the Town's 15 slides can be used for Town purposes



# NIW Vision Advertising Display Program

Photo Examples of Current Display Locations



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# NIW Vision Advertising Display Program

## Typical Expense / Revenue Model

- ❖ Initial install fee of \$500
- ❖ Monthly maintenance fee of \$100\*  
\*Monthly fee waived if minimum of 2 slides are sold
- ❖ Town sold slides: 60% to Town
- ❖ NIW Vision sold slides: 20% to Town



# NIW Vision Advertising Display Program

## Examples of Potential Revenues in Typical Model

### Sold Out

Town sells 15 @ \$300 for quarterly revenue of \$2,700  
NIW Vision sells 15 @ \$300 for quarterly revenue of \$900  
**Annual Revenue at "Sold Out": \$ 14,400**

### 50% Sold

Town sells 8 @ \$300 for quarterly revenue of \$1,440  
NIW Vision sells 7 @ \$300 for quarterly revenue of \$420  
**Annual Revenue at "50%": \$ 7,440**

### Low Sales

Town sells 0 @ \$300 for quarterly revenue of \$0; cost \$300 Maint Fee  
NIW Vision sells 5 @ \$300 for quarterly revenue of \$300  
**Annual Revenue at "Low Sales": \$ 0**



# Potential Options

## Potential Options

- 1) Develop an agreement with NIW Vision as described as a typical model
- 2) Develop an agreement as described above, but develop a partnership with a local organization to share responsibilities and revenues
- 3) Develop an agreement with NIW Vision to have them manage all 30 slides
- 4) Continue to work with NIW Vision to determine terms of an agreement that is 100% turnkey – no cost to the Town; NIW Vision manages
- 5) Do not pursue the program at this time



# Next Steps

- Met with Marquis Scott (Chamber President) to communicate the details of the NIW Vision Program
- Marquis met with the Chamber Board
- Board voted “NO” due to lack of return on limited resources
- Brought in a different organization to meet with the Chamber
- Determined not to proceed at this time.



# Staff Recommendation

- Staff recommends not considering this program at this time because of the cost/benefit impact to the Town.





Questions?

# NIW Vision Advertising Display Program

## Examples of Potential Revenues in PARTNER Model

### Sold Out

Town & Partner sell 15 @ \$300 for qtlly revenue of \$2,700; split to \$1,350  
NIW Vision sells 15 @ \$300 for quarterly revenue of \$900

**Annual Revenue at "Sold Out": \$ 5,400**

### 50% Sold

Town & Partner sell 8 @ \$300 for qtlly revenue of \$1,440; split to \$720  
NIW Vision sells 7 @ \$300 for quarterly revenue of \$420

**Annual Revenue at "50%": \$ 2,880**

### Low Sales

Town & Partner sell 0 @ \$300 for qtlly revenue of \$0;  
Split cost of \$300 Maint Fee  
NIW Vision sells 5 @ \$300 for quarterly revenue of \$300

**Annual Revenue at "Low Sales": \$ 600**



# NIW Vision Advertising Display Program

## Examples of Potential Revenues in NIW VISION MANAGED Model

### Sold Out

NIW Vision sells 30 @ \$300 for quarterly revenue of \$1,800

Town pays \$300 per quarter maintenance fee\*

**Annual Revenue at "Sold Out": \$ 6,000**

### 50% Sold

NIW Vision sells 15 @ \$300 for quarterly revenue of \$900

Town pays \$300 per quarter maintenance fee\*

**Annual Revenue at "50%": \$ 2,400**

### Low Sales

NIW Vision sells 5 @ \$300 for quarterly revenue of \$300

Town pays \$300 per quarter maintenance fee\*

**Annual Revenue at "Low Sales": \$ 0**

\*First year also includes \$500 installation fee



# NIW Vision Advertising Display Program

Examples of Potential Revenues in TURNKEY-NO COST Model\*

## Sold Out

NIW Vision sells 30 @ \$300 for quarterly revenue of \$900  
**Annual Revenue at "Sold Out": \$ 3,600**

## 50% Sold

NIW Vision sells 15 @ \$300 for quarterly revenue of \$450  
**Annual Revenue at "50%": \$ 1,800**

## Low Sales

NIW Vision sells 5 @ \$300 for quarterly revenue of \$150  
**Annual Revenue at "Low Sales": \$ 600**

\*First year also includes \$500 installation fee

