Businesses use signs to speak to customers. And it’s quite a conversation, one that extends well beyond the fact that chicken is on sale this week. Consumers learn—and assume—all sorts of things about a business based on its sign.

These perceptions can be better understood thanks to the BrandSpark/Better Homes and Gardens American Shopper Study™ (“Shoppers” study). This study offers a wealth of insight into consumer behavior. Dr. James Kellaris from the Lindner College of Business at the University of Cincinnati performed a longitudinal analysis of the data results which provides key findings for retailers and sign code officials.

This executive summary includes Kellaris’ findings within the “Shopper” studies from two years (2011 and 2014) and provides guidance for planners and local leaders who regulate signs.

OVER THE YEARS, KEY FINDINGS HAVE INCLUDED:

- Consumers make determinations about the quality of the business based on its signs.
- Most consumers prefer variety rather than uniformity of signs.
- Signs that are too small or illegible can mean a missed opportunity as customers drive past without locating the business.
- Fewer than 1 in 10 people prefer non-verbal signs.
- A large majority of consumers believes vintage signs are worth preserving.

KEY TAKEAWAYS
These reports identify three key takeaways which highlight the need for ongoing communication about the value of signs to businesses and to consumers.

SIGN QUALITY DIRECTLY IMPACTS A COMPANY’S ABILITY TO DRAW IN CUSTOMERS.

- More than half of shoppers (a four-year study average of 54 percent) say they have driven by and failed to find a business because the sign was too small or unclear. Both older and younger age groups have reported this problem.
- A third of shoppers (a four-year study average of 33 percent) say they have been drawn into unfamiliar stores based on the quality of their signs. Past studies have shown that the 18-24 age group is more prone to this behavior, with more than half in agreement.
- Almost two in five shoppers (a four-year study average of 38.5 percent) say they have made quality assumptions about a business based on whether that company has clear and attractive signs. Again, those in the 18-24 age group have been most prone to making such inferences.

INDOOR AND OUTDOOR SIGNS ARE BOTH KEY WAYS SHOPPERS LEARN ABOUT NEW PRODUCTS—AND IN MANY CASES, ARE MORE EFFECTIVE IN CONVEYING INFORMATION THAN OTHER METHODS.

- Past studies have ranked television as the most useful source of new product information, but indoor signs tie with magazines for second place. Outdoor signs ranked third, above radio, internet and newspaper ads.
- Those who consider themselves highly environmentally conscious have reported outdoor signs as more useful.
- Health conscious consumers perceive signs as more useful and beckoning than others, perhaps because they are more "message prone," or likely to seek out and use beneficial information.
- Those who view themselves first as members of groups rather than as individuals are more likely to perceive signs as useful and are more likely to be drawn into a store and/or make quality inferences because of it. This may be because they’re accustomed to looking outside themselves for information and guidance. Signs that show families or groups, rather than individuals, then, can multiply impact.
BUSINESS OWNERS SHOULD BE ALLOWED LATITUDE TO USE SIGNS THAT PROMOTE THEIR COMMERCIAL INTERESTS, AND RESTRICTIONS PLACED ON THE SIZE AND PLACEMENT OF SIGNS CAN LEAD TO LOSS OF BUSINESS, WHICH REDUCES TAX REVENUES IN THE COMMUNITY.

- Due to restrictions on sign placement, height, area, letter size and color, shoppers can have trouble finding businesses; businesses may complain that they can’t express the unique character of their companies; and permits for new signs can be denied.

- Survey respondents felt overly restrictive sign codes were unjust, unfair to businesses and citizens, unwarranted, unbalanced and not beneficial to the community.

- The majority of survey respondents agreed that when “reasonable limits” are in dispute in commercial sign regulation, regulators should strive to err on the side of liberty rather than restriction. In addition, the public has a wide band of tolerance for commercial signs given that they convey useful information.

- Excessive restriction of signs in commercial areas can be inconvenient for shoppers seeking out a store or other business. Finally, restrictions placed on sign size and placement can lead to signs that are too small and hard to read.

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**WHAT MAKES A SIGN DIFFICULT TO READ?**

- **Letters that are too small**: 83%
- **Poor placement**: 71%
- **Not sufficiently lit at night**: 64%
- **Color of the letters does not stand out from the background**: 60%
- **Digital signs change the message too fast**: 53%
- **Letters in a fancy font**: 48%
- **Letters spaced too closely together**: 36%
- **Sign that are too similar to others nearby**: 34%
- **Distracting visuals**: 32%

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**Read the Full Reports of Kellaris’ Findings:**

100,000 Shoppers Can’t Be Wrong: Signage Communication Evidence from The BrandSpark / Better Homes and Gardens American Shopper Study (2011):

[www.signresearch.org/shoppers2011](http://www.signresearch.org/shoppers2011)

Viewing Signs through the Eyes of the Beholders: Perceptual Evidence from the American Grocery Shopper Survey (2014):

[www.signresearch.org/shoppers2014](http://www.signresearch.org/shoppers2014)