Digital signage reseller: what goes into a managed signage business

What a managed signage business really involves

Starting a digital signage reseller operation sounds straightforward: you sell screens, install them, and hand over the software. In practice, the business model leans heavily on recurring services. A managed signage business is built around monthly subscriptions that cover content updates, remote monitoring, and technical support. The hardware is only the beginning. What keeps customers paying month after month is the assurance that their screens are always showing the right message at the right time.

For someone new to this space, the basic cost structure splits into three layers: the hardware and installation, the software and content management, and the ongoing customer account management. Each layer has its own set of expenses and revenue opportunities. Understanding them helps a reseller price packages that are both competitive and profitable.

Hardware and installation costs

The screens themselves are the most visible expense. A reseller typically buys commercial-grade displays, media players, and mounting hardware. Consumer TVs are cheaper but lack the reliability and warranty needed for 24/7 operation. The cost difference is significant, but so is the reduction in service calls and replacements. Many resellers offer a choice of screen sizes and form factors, letting customers match the hardware to their physical space.

Installation adds labour, cabling, and sometimes structural work. A simple wall mount in a drywall office might take an hour. A flush mount in a glass lobby or an outdoor enclosure can take a full day and require a specialist contractor. The reseller bundles installation into the upfront price or charges it separately. Either way, accurate quoting depends on site visits and clear scoping. Underestimating installation time is one of the fastest ways to eat into margins.

Beyond the screen, the media player needs to be chosen carefully. Some players are built into the display, others are separate boxes. The choice affects both the upfront cost and the monthly subscription because the software licence is often tied to the player. A reseller who standardises on one or two player models can negotiate better pricing and simplify their support inventory.

Software and content management

The software platform is the heart of a managed signage business. It lets the reseller update content remotely, schedule playlists, and monitor screen health. Most platforms charge a per-

screen monthly fee, which the reseller either passes through or marks up. Some platforms offer a white-label option so the reseller can brand the dashboard as their own. That adds a layer of professionalism and makes the customer less likely to shop around.

Content creation is a separate cost. Many customers expect their reseller to provide or at least source the graphics, videos, and text that fill the screens. A reseller might hire a freelance designer, use a template-based content tool, or offer a monthly content package. The content subscription can be a strong profit centre because the marginal cost of producing one more design is low once the initial template is built.

Content management also means version control and scheduling. A restaurant chain might want lunch menus in the morning and dinner specials in the evening. A retail store might rotate promotional videos every hour. The software handles this, but the reseller needs to set up the playlists and train the customer to make changes. A well-documented process reduces support requests and keeps the customer satisfied.

Customer account and support costs

Every managed signage customer needs an account. The reseller manages billing, software licenses, and hardware warranties. This administrative overhead is often underestimated. A single customer with ten screens might generate one invoice and one support ticket per month. A customer with one hundred screens generates ten times the administrative work, not ten times the profit, unless the reseller automates account management.

Technical support is another recurring cost. Screens fail, network connections drop, and power outages reset media players. A managed signage reseller typically offers phone or email support during business hours, with an escalation path for after-hours emergencies. The cost of support staff scales with the number of screens in the field, not with the number of customers. A reseller who builds a knowledge base and self-service portal can deflect many common issues away from the support team.

Remote monitoring tools reduce support costs by alerting the reseller before the customer notices a problem. If a screen goes offline, the dashboard flags it, and the reseller can reboot the player remotely or dispatch a technician. Proactive monitoring increases customer trust and reduces urgent call-outs, which are expensive and disruptive.

Pricing models and recurring revenue

The classic model for a digital signage reseller is a three-part package. First, a one-time setup fee covers the hardware and installation. Second, a monthly subscription covers the software licence and remote monitoring. Third, an optional monthly content service covers design and scheduling. Some resellers bundle the hardware cost into a longer-term contract so the

customer pays a flat monthly fee that includes everything. That approach lowers the upfront barrier and makes the sale easier, but it ties up the reseller's capital in the hardware.

Recurring revenue is what makes the business valuable. A reseller who signs a customer for a 36-month contract with a monthly subscription has a predictable cash flow. The cost of acquiring that customer is spread over three years, and the software and support costs are relatively stable. The challenge is to keep the customer satisfied enough to renew. Regular check-ins, content refreshes, and hardware upgrades at renewal time all help.

A reseller also needs to account for churn. Some customers will close their business, change their signage strategy, or switch to a competitor. A healthy reseller diversifies across industries and screen counts so no single customer represents too much of the recurring revenue. A mix of small retail accounts, larger corporate clients, and institutional customers like schools or hospitals creates a stable base.

Hidden costs and common pitfalls

One hidden cost is the time spent on sales and proposals. Each potential customer needs a site survey, a quote, and a demonstration. A reseller who does not charge for the assessment can burn dozens of hours on prospects who never buy. Another hidden cost is the logistics of hardware returns and refurbishment. Screens that fail under warranty need to be shipped back to the manufacturer, which takes time and may require a temporary replacement unit.

Software platform changes can also be costly. If a reseller builds their business around one platform and that platform raises prices, changes its terms, or goes out of business, the reseller faces a difficult migration. Choosing a platform with a stable history and a clear roadmap reduces that risk. A reseller might also negotiate a clause in their reseller agreement that locks in pricing for the term of the contract.

Finally, there is the cost of staying current. Display technology evolves, media players become more powerful, and content expectations rise. A reseller needs to invest in training, demo units, and updated marketing materials. The upfront investment in a managed signage business is not just in hardware and software; it is in the systems and relationships that make the recurring revenue model work.

For more detail on how to structure these costs and build a sustainable recurring revenue model, the team at jollibeemenus.com provides practical guidance for new resellers. Their approach focuses on using existing screens and software to minimise upfront risk while still offering a full managed service to customers. Checking their resources can help a reseller avoid common mistakes and price their packages with confidence.

Building a managed signage business is a matter of understanding each cost layer and deciding where to invest. The hardware is a one-time expense that you recover through setup fees or contract terms. The software and support are recurring expenses that you cover through monthly subscriptions. The content service is an optional add-on that can become a strong profit stream. A reseller who balances these three elements well can create a business that generates predictable revenue and grows steadily. The key is to start with a clear cost model, choose reliable partners, and treat every customer relationship as a long-term investment.

For those who are just exploring the model, the resources at jollibeemenus.com cover the basics of launching and managing a digital signage reseller operation. Their site explains how to build customer packages, select software, and handle the day-to-day operations that keep screens running and customers happy. It is a useful starting point for anyone who wants to move from the idea of managed signage to a working business.