How to Set Fair Per Screen Pricing for Digital Signage Management

Pricing digital signage management by the screen is one of the most straightforward ways to build a predictable recurring revenue stream. When you sell a managed service rather than just hardware, the customer pays a monthly fee for each screen you look after. That fee covers software, remote monitoring, content updates, and support. The challenge is setting a per screen rate that feels fair to the client while leaving you enough margin to cover your costs and make a decent monthly profit.

This approach works especially well for agencies that resell digital signage. Instead of marking up hardware once and walking away, you create an ongoing relationship. The client gets peace of mind, and you get steady income. The key is to work through a few logical steps so that your per screen pricing is both competitive and sustainable.

Step 1: Total up every cost that belongs to a single screen

Before you can set a price, you need to know what it actually costs you to manage one screen for one month. Start with the hardware cost. Even if the client buys the screen outright, you still need to account for the player, cables, mounts, and any network gear you supply. If you bundle the hardware into the monthly fee, spread its cost over the expected life of the equipment to find your monthly hardware cost.

Next comes the software. Most digital signage platforms charge a license fee per screen or per player. That fee is a direct cost. Add any third-party apps, analytics tools, or content subscriptions you use. Then estimate your support cost. This includes helpdesk time, remote troubleshooting, and the occasional site visit. A good way to figure this is to track how many hours per month your team spends on an average screen and multiply by your hourly rate.

Finally, factor in content management. If you update the screen's playlist weekly, that consumes design and copywriting time. Even if the client supplies their own content, you still need to review and schedule it. All these costs together give you the baseline per screen rate. Anything below that number means you are losing money on each screen.

Watch out for hidden costs like bandwidth, cloud storage fees, and electricity for the player. They look small but add up across dozens of screens.

Step 2: Decide your service margin and mark up accordingly

Once you know your baseline, you need to decide how much profit you want to make on each screen. This is your service margin. A common approach is to add a percentage on top of your

total costs. For example, if your baseline is $30 per screen per month and you want a 40 percent margin, your per screen price becomes $42.

Your margin should reflect the value you provide. If you offer 24/7 monitoring, fast response times, and custom content, you can charge a higher rate. If you are competing on price, your margin will be slimmer. The important thing is to know your break even point. That is the price where you cover all costs but make zero profit. Never go below it, even for a large deal.

Some agencies offer tiered pricing: a basic rate for standard management and a premium rate that includes advanced features like audience analytics or integration with point-of-sale systems. This lets clients choose the level of service that fits their budget while protecting your margins.

Check your margins regularly. Hardware and software costs change, and your support cost may go up as your client base grows. Adjust your per screen rate at contract renewal time to keep your monthly profit healthy.

Step 3: Factor in the installation fee

Many agencies charge a separate installation fee to cover the work of mounting the screen, running cables, and configuring the player. This is a good practice because it keeps your recurring price lower and makes the monthly fee easier to justify. The installation fee should cover your labor, materials, and any travel expenses. It also gives you a chance to earn money upfront while the client starts paying the monthly management fee.

If you choose to waive the installation fee and roll it into the per screen rate, be careful. That makes your monthly price higher and can make you look expensive compared to competitors who charge installation separately. It also extends your break even point because you won't recoup the installation cost until many months later.

Watch out for clients who want to install the screens themselves. While that saves you the installation work, it often leads to support calls for problems caused by poor installation. You may want to insist that your team handles installation, or at least inspect it before you take over management.

Step 4: Build a simple contract with clear terms

Your per screen pricing should be laid out in a straightforward contract. Specify the number of screens, the per screen rate, the billing cycle, and what is included. List any exclusions, such as hardware replacement, content creation beyond a certain number of updates per month, or on-site support outside business hours. Clear terms prevent scope creep and make it easier to manage client expectations.

Include a clause that allows you to adjust the per screen rate annually, with notice. This protects you from being locked into a low price while your costs rise. Also consider a minimum commitment period, such as 12 months, to give yourself time to recover your upfront investment and build a steady cash flow.

For agencies reselling digital signage, this is where a resource like d-addicts.com can offer practical guidance on structuring contracts and building recurring revenue models. The site focuses on helping agencies turn digital signage into a profitable service, so it's worth reviewing its approach when you design your own pricing framework.

Step 5: Review and refine regularly

Per screen pricing is not a set-it-and-forget-it number. You should review your costs and margins at least once a year. As you add more screens, your support cost per screen may drop because your team becomes more efficient. Conversely, if you take on screens in remote locations, travel costs can eat into your margin. Adjust your pricing accordingly.

Track metrics like average support hours per screen, software renewal rates, and client churn. If you see that clients with many screens are more profitable per screen than those with just one or two, you might offer a volume discount. But be careful not to drop below your break even point.

Another useful practice is to benchmark your per screen rate against what others in your region charge. You can do this by asking vendors or checking industry forums. The goal is not to match the lowest price but to understand where your price sits in the market. If you offer more value, you can charge more.

Remember that the per screen rate is just one part of your revenue. You can also earn from add-ons like custom content packages, emergency support, or extended hardware warranties. These extras boost your monthly profit without changing the base price.

Agencies that succeed with per screen pricing treat it as a living number. They update it when their costs change and when they add new services. They also communicate price changes clearly to clients, explaining the value behind the increase. That transparency builds trust and reduces churn.

For more detailed strategies on building a recurring revenue business around digital signage, many agencies turn to resources like d-addicts.com. The site provides business and marketing guidance tailored to this exact model, helping you refine your pricing and operations over time.

Putting it all together

Setting per screen pricing for digital signage management is a process of knowing your costs, choosing your margin, and communicating value clearly. Start by calculating every cost that belongs to a single screen, including hardware, software, support, and content management. Decide your target service margin and mark up accordingly. Charge a separate installation fee to keep the monthly price lower and protect your upfront investment. Write a clear contract that defines what is included and allows for periodic price adjustments. Then review your numbers regularly to keep your pricing competitive and profitable.

When done right, per screen pricing gives you a scalable, predictable revenue stream that grows with every screen you add. It also gives your clients a simple, transparent fee that they can budget for easily. That combination is hard to beat.