



---

# The University of Georgia

College of Agricultural and Environmental Sciences



## Importance of Business Signs

Kent Wolfe

**Signs to commonly used advertise businesses, products and services. There are a number of reasons that businesses utilize signs. One of the most important functions of signage is to create and reinforce “top of mind” awareness with consumers. This is especially true with a commercial business establishment like a roadside stand or restaurant. Visibility, accessibility and parking are three critical components of a direct to consumer business. Developing and positioning business signage is important in addressing the visibility issue. Again, if potential consumers are not aware of your business they are unlikely to patron your establishment.**

**According to the Small Business Administration (SBA), 35-50% of consumers shop outside their local area. These potential consumers may not be aware of a business as they are not from the area. In addition, the US Census Bureau estimates that approximately 18% of households relocate every year. Given the large number of newcomers or consumers passing through, it is essential to develop effective signage to inform these potential consumers about the existence of a business. Remember, a sign acts as a salesperson 24 hours a day, seven days a week every day of the year.**

**The use of signs provides an opportunity to inform or make potential customers aware of your business, this is especially true for consumers residing outside the local area. This is important because research has shown that impulse stops (unscheduled stops) can account for 20%-45% of all business visits<sup>1</sup>. Table 1 provides an estimate of impulse-stops by business type.**

---

<sup>1</sup>Understanding the Value of Signage, Small Business Administration Starting Your Own Business Publication Series([www.sba.gov/starting](http://www.sba.gov/starting))

<b>Table 1. Passing Motorist Impulse Stopping</b>	
<b>Business Type</b>	<b>Impulse-Stop Percentage Estimates*</b>
<b>Service Station</b>	<b>45%</b>
<b>Convenience Market</b>	<b>40%</b>
<b>Fast Food Restaurant</b>	<b>40%</b>
<b>Shopping Centers (depending on size)</b>	<b>20%-35%</b>
<b>Discount Club/Warehouse Store</b>	<b>20%</b>
<b>Supermarket</b>	<b>20%</b>
<b>Sit Down Restaurant</b>	<b>15%</b>
<b>* Institute of Transportation Engineers Trip Generation Rates</b>	

The significance of impulse-stops dictates the need for the creation and use of effective signage. Research conducted by the California Electric Sign Association and the International Sign Association in 1995 to determine the impact of on-premise signage on sales and transactions. The results revealed that on average, one additional on-premise sign lead to an estimated 4.75% increase in annual sales revenue and an 3.93% increase in the number of annual transactions. Again, effective signage can lead to increased customer traffic and sales revenue.

### **Sign Content**

Branding a business does not end with the product. A business's location (building) must also be included in the branding campaign. One of the first steps in branding the business location is through its signage. A sign should convey the image and the personality of the business and the products and services its selling. As stated earlier, a sign acts as an around the clock, silent but very visible sales person. For instance, if a potential consumer sees a sign for a business, their perception of that business is based on the observation of the sign. Does a sign convey class and quality or does it display a bargain-based business. Therefore, it is very important that a sign portray the business according to its branding strategy, i.e., quality, discount, local flavor, etc.. A sign representing an up-scale arts and craft store must relay this image to its readers, otherwise the business is sending conflicting singles to its consumers. Signs have limited space so all messages must be stated concisely but communicate effectively and efficiently with its readers. Some of the information that should include on a sign are:

1. location
2. business hours
3. what you are selling
4. special promotions

5. seasonal products
6. Logo or slogan
7. other attractions

In addition to containing information, your sign should “catch” the attention of motorists. The sign should be designed to attract the attention of passing motorist by using high contrast and large letters in combination with bright easy-to-read colors (e.g. yellow writing on a navy blue background). However, the sign needs to be easy to read as motorist will typically be passing by the sign at speeds of 30 mph or more. It is important to remember that too much information is as bad as not enough information. If the sign is too cluttered with words and pictures, the passing motorist may not be able to read the sign and understand what is be promoted. Table 2 presents a guideline for creating a sign given the various traveling speeds.

Table 2 Example Distances and Words Read At Various Speeds With Recommended Letter Heights and Widths.						
			Number of Words at Speed			
Distance (ft)	Letter Width (inches)	Letter Height (inches)	30 (mph)	40 (mph)	50 (mph)	60 (mph)
50	$\frac{3}{8}$	$1 \frac{3}{4}$	4	2	1	0
100	$\frac{3}{4}$	$3 \frac{1}{2}$	8	5	4	3
200	$1 \frac{3}{8}$	7	15	11	8	6
300	$2 \frac{3}{16}$	11	22	16	13	10
400	$2 \frac{7}{8}$	14	30	22	17	14
500	$3 \frac{1}{2}$	$17 \frac{1}{2}$	38	28	22	18

Source: Should I Grow Fruits and Vegetables? Roadside Stands,” Loyd, Renee, M. and Daniel S. Tilley. Oklahoma State University Extension Service, Facts, No. 186.

A number of signs should be placed on the roadway prior to the business to ensure customer exposure. However, the final sign needs to be spaced at a reasonable distance from the market to allow motorists time to slow down safely to make the turn. The following outlines the distance needed to slow down safely at different speeds:

1. at 30 mph a car needs  $\frac{2}{10}$  of a mile to slow down safely
2. at 40 mph a car needs  $\frac{1}{4}$  of a mile to slow down safely
3. at 50 mph a car needs  $\frac{3}{10}$  of a mile to slow down safely

According to the SBA, a typical driver has a 25° degree cone of vision as they look out of the vehicles windshield. Signs should be place so that they fall within this driver cone of

**vision. If the sign lies outside the cone of vision, the sign is less noticeable and may not be as effective. Some areas have an abundance of signage. If a sign needs to be located in an area with numerous other signs, trees, poles building or other object, creative mounting styles and height variations should be explored. Remember, for a sign to be effective, it must be clearly visible.**