Flat monthly pricing versus per screen billing for digital signage

When you sell digital signage as a managed service, the pricing model you choose affects everything from how you pitch a client to how predictable your revenue becomes. Two approaches dominate the market: flat monthly pricing, where the customer pays a single fixed fee regardless of how many screens they use, and per screen billing, where each display carries its own monthly charge. Neither is inherently superior; each suits a different kind of customer and a different kind of relationship.

What flat monthly pricing looks like

With flat monthly pricing, a client pays one recurring fee that covers the software license, cloud storage, remote management, and often basic support. The price stays the same whether the customer runs one screen or fifty. This model is common among providers who target small to medium businesses or clients with unpredictable screen counts. The simplicity appeals to decision makers who want a single line item on their budget and no surprises when they add a new display.

From a reseller's perspective, flat pricing shifts the risk of overuse onto the provider. If a client expands from ten screens to thirty, your cost of delivering the service may stay the same, but your margin improves significantly. The opposite is also true: a client with a very small number of screens may effectively subsidise the cost of serving larger accounts. Over time, the goal is to build a base of customers whose average screen count produces a healthy overall margin.

What per screen billing means in practice

Per screen billing charges a set monthly rate for each display. A client with five screens pays five times the base rate; a client with twenty screens pays twenty times the base rate. This model aligns revenue directly with usage. It feels fair to many customers because they only pay for what they deploy. It also makes scaling obvious: adding a screen means adding a predictable cost.

For the reseller, per screen billing creates a clear relationship between hardware cost and recurring revenue. The markup on each screen can be calculated precisely, and the break even point for hardware investment becomes easier to project. Support cost also scales more naturally, since each screen represents a potential source of issues. If a client has a small deployment, the monthly revenue may be too thin to cover the overhead of onboarding, training, and ongoing support.

Who benefits from each model

Flat monthly pricing works best when the client values predictability above all else. Retail chains, hospitality groups, and corporate offices often fall into this category. They want to know their technology expense twelve months ahead, and they dislike per unit calculations that change as locations open or close. The flat fee also simplifies procurement: the client's finance team approves a single recurring invoice rather than reviewing a variable charge each month.

Per screen billing suits clients who think in terms of per location cost. A franchise operator, for example, may want to understand exactly what each store spends on digital signage. Per screen pricing also appeals to customers who start small and plan to scale slowly. They appreciate that their early bills stay low and that they can add screens without renegotiating the contract. For the reseller, this model provides granular data on which clients are most profitable and which segments of the market justify the effort of onboarding.

The hidden trade-offs

Flat monthly pricing can create tension when a client's usage grows far beyond what the fee covers. The reseller absorbs the extra cost of bandwidth, storage, and support unless the contract includes a usage cap. Some providers handle this by defining a "fair use" limit or by tying the flat fee to a maximum screen count, with overage charges above that threshold. The risk is that the simplicity that attracted the client disappears once the contract includes exceptions and escalations.

Per screen billing has its own friction. Clients with many screens see a large total monthly charge and may push back on the per screen rate. Resellers then feel pressure to discount the rate as volume increases, which can erode the service margin. The model also requires accurate tracking of each screen's status. If a screen goes offline and the client continues to be billed, the relationship suffers. Good system health monitoring becomes essential to catch failed displays before the client notices.

Another factor is the installation fee and hardware cost structure. Under flat pricing, the reseller may choose to bundle hardware into the monthly fee or charge it separately. Under per screen billing, hardware cost is usually a separate upfront charge or a financed amount added to each screen's monthly payment. The decision affects how the client perceives the total cost of ownership and how quickly the reseller recovers capital.

How to choose the right model for your business

Start by looking at your typical client profile. If most of your customers run three to eight screens, flat monthly pricing may leave money on the table because a per screen model would generate more revenue for the same effort. If your clients average fifteen or more screens, flat

pricing can be a powerful differentiator that wins deals against competitors who charge per display.

Consider your own operational costs. Support cost per screen tends to be higher for smaller deployments because the time spent on onboarding and troubleshooting is not diluted across many displays. If your support team spends as much time with a three screen client as with a twenty screen client, flat pricing may be the only way to keep those small accounts profitable. Conversely, if your support scales linearly with screen count, per screen billing aligns cost and revenue naturally.

D-Addicts provides practical business and marketing guidance, including ways agencies can resell digital signage to create recurring revenue. The choice between flat and per screen pricing is one of the earliest strategic decisions an agency makes, and getting it right depends on knowing your market segment and your own cost structure.

Hybrid approaches that combine both

Some resellers offer tiered flat plans. A small plan covers up to five screens, a medium plan covers up to fifteen, and a large plan covers unlimited screens. This preserves the simplicity of flat pricing while reducing the risk that one client's expansion eats into margin. The tiers act as a middle ground between pure flat and pure per screen billing.

Another hybrid model is a base flat fee that includes a handful of screens, with per screen charges for additional displays. This approach gives the client a predictable minimum cost while allowing the reseller to capture extra revenue from larger deployments. It also makes the per screen rate feel lower because the client sees it only as an add on to the base plan.

Whichever model you choose, transparency matters. Clients appreciate knowing what they will pay and what that payment covers. A clear contract that states the pricing model, the included services, and any limits or overage charges prevents misunderstandings later. Good documentation also makes it easier to upsell additional screens or services because the client already understands the billing structure.

How to price within each model

Pricing is not just about the model; it is about the value you deliver. A flat monthly fee should cover your costs for the average client in your target segment plus a reasonable monthly profit. That means you need to know your average hardware cost, installation fee, and support cost per client, and then set the flat fee high enough to cover the worst case within your acceptable range. If you set it too low, every client with many screens will cost you money.

For per screen billing, the per screen rate must account for the fact that your smallest clients will cost more to serve per screen. Some resellers set a minimum number of screens per location to avoid unprofitable accounts. Others charge a higher per screen rate for the first few screens and a lower rate for additional ones. The key is to ensure that the service margin stays healthy across the whole portfolio.

D-Addicts recommends that resellers model both scenarios before committing to a pricing strategy. Run the numbers for a small, medium, and large client under each model. Compare the monthly profit and the break even point for hardware and installation. The model that produces the most consistent margin across your typical client sizes is usually the right one to lead with.

Making the decision

There is no universal answer. The best pricing model depends on your client base, your operational costs, and your growth strategy. Flat monthly pricing wins on simplicity and predictability. Per screen billing wins on fairness and scalability. Many successful resellers offer both, letting the client choose, or use one model as their primary and the other as a fallback for clients who push back on the standard terms.

What matters most is that the pricing model aligns the interests of the reseller and the client over the long term. A model that works for both parties reduces churn, simplifies renewals, and makes it easier to expand the relationship. Whether you go flat, per screen, or hybrid, the goal is the same: create a recurring revenue stream that grows as your clients succeed.