



KEYPOINT
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InfoTrends

WHITE PAPER

THE WIDE FORMAT PRINTING OPPORTUNITY

JANUARY 2020

PREPARED FOR:



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contents

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Executive Summary

Wide format is a specialised area of the printing sector that can offer significant growth opportunities for printing organisations. According to research from Keypoint Intelligence – InfoTrends, print volumes within the wide format digital graphics market are expected to reach 2.2 billion m² by 2023. Digital wide format applications are typically short-run, high-ticket products that can produce a profit margin of up to 60%.

Wide format printing is one of the most cost-effective ways to transfer, record, and communicate information to a large audience. As the advertising market continues to move away from traditional channels (e.g., newspapers, magazines, television, and radio) in favour of social media and online communication platforms, signage and out-of-home advertising may prove to be more cost-effective ways to attract customers than was the case in previous years. Studies have shown that wide format signage can be anywhere from three to ten times more cost-effective than more traditional channels.

By definition, wide format digital printers are capable of accommodating oversized print work that standard printers cannot achieve due to size limitations. These devices are typically monochrome or colour roll-fed. Wide format printers are typically found in print-for-pay shops (e.g., commercial printers, copy shops, sign shops, screen printers, custom graphics specialists, and in-house printing operations). In the technical market, they are generally used by professional architects, engineers, and construction firms.

The wide format graphics business is primarily served by a variety of inkjet technologies (including aqueous inkjet, eco-solvent inkjet, solvent inkjet, UV-curable inkjet, and latex inkjet) as well as toner-based printers. Rapid development of these technologies is one of the key enablers for continued growth in wide format because these improvements generally either lower the cost to print or enable new applications to be digitally printed. While the available types of inkjet offer some advantages over toner-based technologies in some wide format graphic print applications, there are significant drawbacks to inkjet in relation to toner-based printers, especially in light of the trend toward faster cycle times and lower operating costs.

Today, the most in-demand wide format devices are low-end or mid-range digital systems that are functionally comparable to high-end systems in terms of controller features and paper handling, but with lower costs and smaller footprints. Thanks to ongoing technological advancements, wide format digital printers can handle an ever-widening array of technical and graphics applications.

Over the past 15 years, the traditional wide format “print-and-distribute” model has been transformed into a “distribute-and-print” model, whereby wide format documents are sent in digital form or accessed by local users, then printed only in the quantities needed and



at desired locations. For print-for-pay companies, wide format can be a profitable new line of business for serving existing customers while also attracting new ones.

InfoTrends believes that the next growth phase in the wide format digital printing market will be driven by the need to more tightly integrate wide format printing with other elements of advertising campaigns from a messaging and production standpoint. For firms that are currently offering wide format, investments in new technologies can lower operating costs and speed turnaround times. Wide format digital printing is one of the few areas in the global printing market that is experiencing rapid change and growth, and this is a great time to get involved!

Introduction

What is a Wide Format Production Printer?

Wide format printers are specialised printing devices that handle print widths between 43 cm and 5 metres wide. The key difference between these devices and regular printers is size! Wide format printers are typically roll-fed devices available for monochrome or full-colour printing applications via inkjet or toner-based technologies.

With few exceptions, wide format printers are not consumer products. They are most commonly found in environments that handle their own printing jobs, such as commercial printers, copy shops, sign shops, screen printers, and custom graphics specialists. Jobs requiring wide format printers include engineering or architectural drafts and sketches, signs, banners, posters, POP displays, and picture enlargements.

The Wide Format Business Opportunity

There are several important characteristics of the wide format printing business, but one of the most significant is that the barriers to entry are relatively low. Essentially, any individual or small print shop that can invest a few thousand dollars on a wide format printer can become a wide format print service provider (PSP). The keys to success include understanding the market, honing product investments and capabilities, and establishing a good go-to-market strategy.

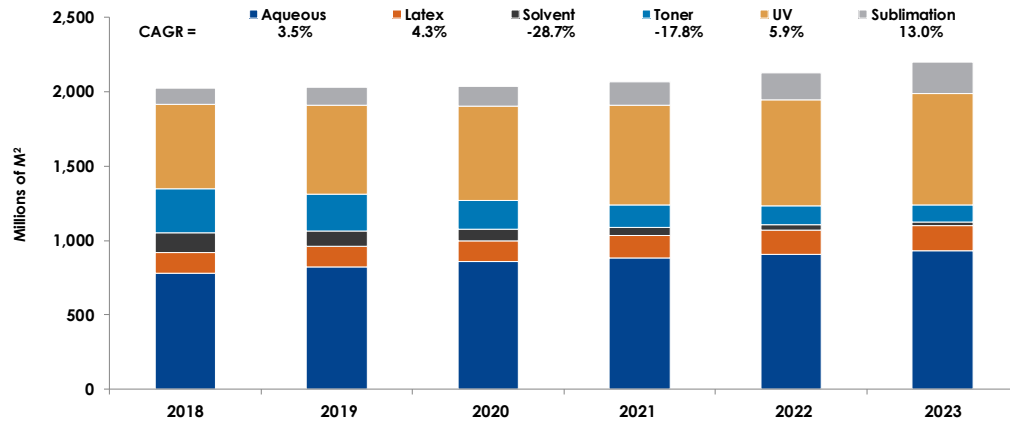
According to InfoTrends' latest forecast data, print volumes within the EMEA region's¹ wide format digital graphics market is expected to increase from 2.0 billion m² in 2018 to 2.2 billion m² in 2023, demonstrating a compound annual growth rate (CAGR) of 1.7%.

Although this growth is moderate overall, it should be noted this is due to a shift in technology preferences. In the durable ink segments, latex, UV, and sublimation are taking market share away from the once-leading solvent ink. Additionally, on the aqueous side, inkjet is taking share from the toner market.

¹ Note: The EMEA region consists of Europe, the Middle East, and Africa.



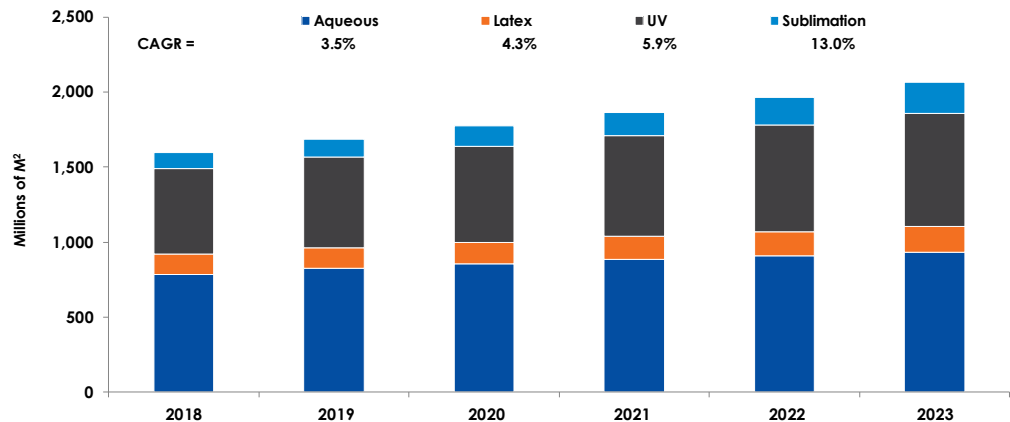
Figure 1: EMEA Wide Format Graphics Market Print Volume



Source: Wide Format Print Forecast, Keypoint Intelligence – InfoTrends 2018

To create a clearer picture of this segmented growth, the Figure below has removed the declining solvent and toner segments from the equation. This reveals a CAGR of 5.3% between 2018 and 2023.

Figure 2: EMEA Wide Format Graphics Market Print Volume (Without Solvent and Toner)

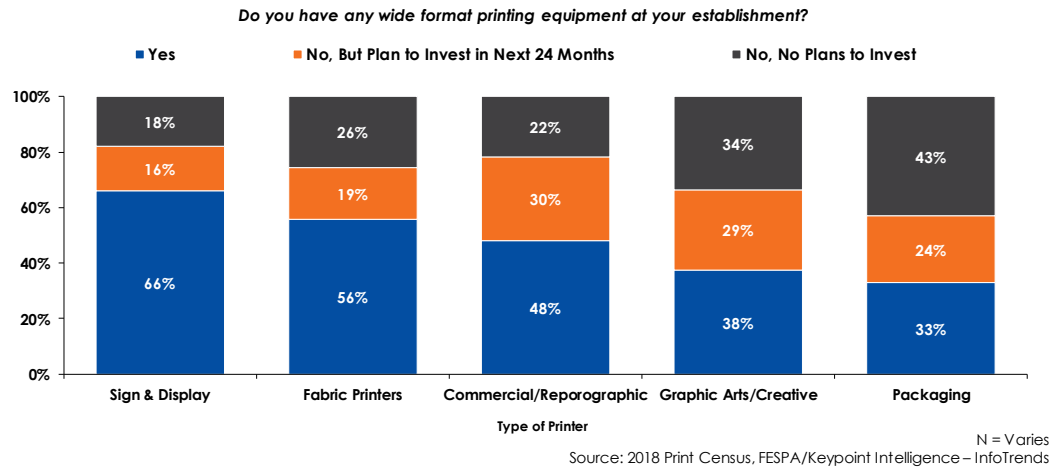


Source: Wide Format Print Forecast, Keypoint Intelligence – InfoTrends 2018

In an attempt to tap new sources of revenue, many PSPs have already incorporated wide format devices in their establishments or plan to do so within the next 2 years. Once again, the popularity of wide format equipment in various types of printing companies is largely attributable to the wide format market's relatively low barriers to entry.



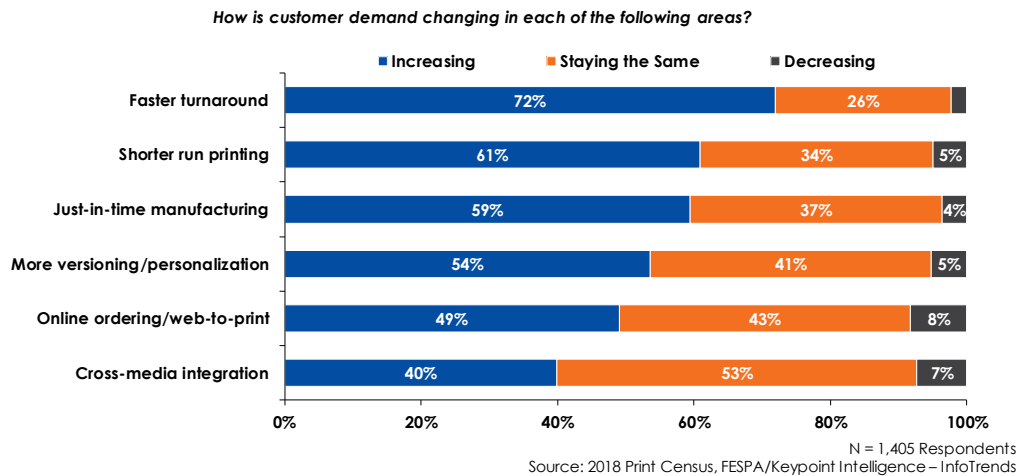
Figure 3: Wide Format Equipment Ownership/Investment



Operating at the Speed of NOW!

Timeliness is everything in today's world, and the wide format market is no exception. Customers are demanding immediacy for their wide format printing jobs, and PSPs must deliver! According to a collaborative survey that InfoTrends conducted with FESPA, nearly 72% of respondents are seeing an increase in the demand for fast turnaround. The demand for short run printing and just-in-time manufacturing is also expected to increase.

Figure 4: Changes in Customer Demands



Optimising workflows and streamlining production has become a top priority for today's wide format print providers. Online ordering systems and automated production practices continue to grow in popularity as PSPs strive to meet their customers' evolving demands.



Where Have We Been... and Where Are We Going?

A Wide Exposure Over Time

The history of graphics is almost as long as the history of humanity itself. From primitive cave paintings to today's interactive billboards, humans have always wanted to bring visual impact to their messages. Billboards and posters have been the dominant wide format applications throughout history—Egypt's Stone Obelisk dates back thousands of years, an outdoor poster for the New York Circus was created in 1835, and a 24-Sheet Billboard was first displayed at the world's fair in Paris in 1889. These are just a few examples of wide format's lineage.

Throughout its early years, the introduction of digital printing in the wide format environment was limited to wide-carriage dot matrix printing for legal-sized documents and B2-sized documents for electrophotographic prints. The first electrostatic printers offering full-colour graphics production were launched in the 1980s, giving rise to wide format digital printing. The 1990s saw the first wide format inkjet printers, which offered a lower initial investment and the ability to handle a wider range of substrates.

Today, wide format printing has expanded even further to encompass building/wall wraps, vehicle and fleet graphics, banners of all shapes and sizes, and a growing number of graphic arts and technical applications (e.g., wayfinding signage, point-of-purchase displays, engineering designs, and aerial photographs).



Expanding Technologies

As noted earlier, the wide format graphics business is primarily served by a set of inkjet technologies (e.g., aqueous inkjet, eco-solvent inkjet, solvent inkjet, UV-curable inkjet, and latex inkjet) as well as toner-based devices. The Table below highlights the key characteristics of each technology, as well as the benefits and drawbacks of each.

Table 1: Technological Overview of Wide Format Printing Technologies

Technology	Applications	Pros	Cons
Aqueous Graphics	Proofing, fine art, photo, indoor graphics	<ul style="list-style-type: none"> • High image quality • Low initial investment 	<ul style="list-style-type: none"> • High running costs • Slower speed • Lower image durability
Single-Pass Aqueous	Indoor posters, short-term banners, technical documents	<ul style="list-style-type: none"> • High speed 	<ul style="list-style-type: none"> • Lower image durability • Less media selection • Lower image quality
Latex	Indoor and outdoor graphics, textiles (now for rigid & flex)	<ul style="list-style-type: none"> • Low initial investment • Suitable for a wide variety of applications 	<ul style="list-style-type: none"> • High power consumption • Hybrid design
Solvent/ Eco-Solvent	Indoor and outdoor graphics	<ul style="list-style-type: none"> • Low initial investment • Suitable for a range of applications/specialty colours • High image quality 	<ul style="list-style-type: none"> • Slower speed • Environmental concerns
Sublimation	Polyester apparel or hard surfaces with a special polymer coating	<ul style="list-style-type: none"> • High-end applications that yield high profit margins • Opens PSPs to new markets (décor, wood, photo) 	<ul style="list-style-type: none"> • High cost for materials/equipment • Limited outdoor durability on some applications
UV Curable	Indoor and outdoor graphics	<ul style="list-style-type: none"> • High speed • Direct-to-substrate printing 	<ul style="list-style-type: none"> • High initial investment

The subsections that follow provide a more in-depth description of today's wide format printing technologies.

Aqueous Inkjet

When the graphics market emerged, aqueous inkjet was the very first technology in existence. The original wide format aqueous inkjet graphics printers were actually modified CAD printers. Over time, through the development of coated media, new ink sets, and ever-improving technologies, the wide format aqueous printer became the standard for wide format graphics printing. Aqueous inks can be jetted onto a variety of media types, including paper, acetate, and vinyl with a receptive coating. Although aqueous inkjet is the most flexible technology in terms of image quality, one of its major limitations is running cost. This is particularly the case for outdoor graphics because they must be laminated.

Solvent Inkjet

Solvent Inks are made of colour pigments suspended in a petroleum-based solution. When these inks are jetted with a printhead onto a heated platen, they will sink deeply into a PVC-based media. Solvent inkjet was introduced to enable lower running costs for outdoor graphics—wide format solvent inkjet printers offer low running costs and outdoor durability



on graphics without the need for lamination. At the same time, however, wide format solvent inkjet prints release volatile organic compounds (VOCs) as the inks dry, and these are odorous as well as harmful.

In today's market, placements of large (> 2.5m) solvent printers have seen a large decline as PSPs in this market have switched over to UV roll-to-roll devices that offer immediate curing, thereby enabling faster turnaround.

Eco-Solvent Inkjet

The next evolution from solvent was the introduction of “eco-solvent” printers, which offer high image quality and durability with reduced VOC emissions. Since the inks are still solvent based, the environmental concerns are curbed but not eliminated. It is also best to wait a few hours for these prints to dry before rolling them up and shipping them to customers. Like solvent, eco-solvent placements continue to decline as more PSPs are seeking UV or latex ink solutions that cure instantly and allow for immediate application.

To accommodate customer demands, many eco-solvent inks have recently been reformulated to offer shorter outgas periods. This allows for same-day finishing and enables eco-solvent inks to better compete with latex and UV technologies.

UV-Curable Inkjet

UV-curable inkjet is the most versatile of all inkjet developments as it can print onto almost any surface; the need to print onto an adhesive backed material and mount to a substrate is eliminated. Additionally, because UV-curable ink dries instantly, productivity is very high. The recent introduction of UV-curable into the 1.6m sign printing market has been very well-received by PSPs seeking fast turnaround solutions.

Latex Inkjet

Latex inkjet, which has been a part of the wide format inkjet market for the past 10 years, has experienced strong success as a disruptive technology. With latex technology, the ink—which contains small particles of plastic—is jetted onto a page that has been pre-heated to help “melt” latex polymers together to create durable images. A second dryer then removes the liquid from the print. Because latex inkjet printers have built-in heaters, the media becomes receptive to the ink. This also allows the ink to dry properly. The water-based formulations of latex inks reduce the impact of printing on the environment. Latex devices produce durable prints that are suitable for indoor or outdoor applications. The downside of latex is that the heaters and dryers create extra ambient heat to the printing environment. Depending on the situation, this could lead to an increase in utilities expenses to maintain proper climate control around the printer.



Toner-Based Colour

Toners are dry powdered pigments available in various process-based colours: Cyan, Magenta, Yellow, Black, and White. They are usually applied electrostatically and fixed with a heated blanket and drum. Toner-based colour printers are a category of devices that offer a combination of strong image quality and low running costs. Although this type of ink is great for indoor applications, it lacks the durability required for outdoor use.

Sublimation

Sublimation ink has become quite popular for printing onto a wide variety of substrates because the display suffers no loss in resolution when compared to the original image. Sublimation is a chemical process during which a solid transforms into a gas without entering the liquid stage. First, a digital printer is typically used to produce images on sublimation transfer paper with sublimation ink. Next, the sublimation paper is inserted into a heat press with the material and exposed to high heat (about 350° to 400° F). At this time, the ink and transfer material shift from solid to gas. Once they are in the gas state, they permeate the fibres of the material to create a permanent image that sustains its quality over time.

Future Outlook

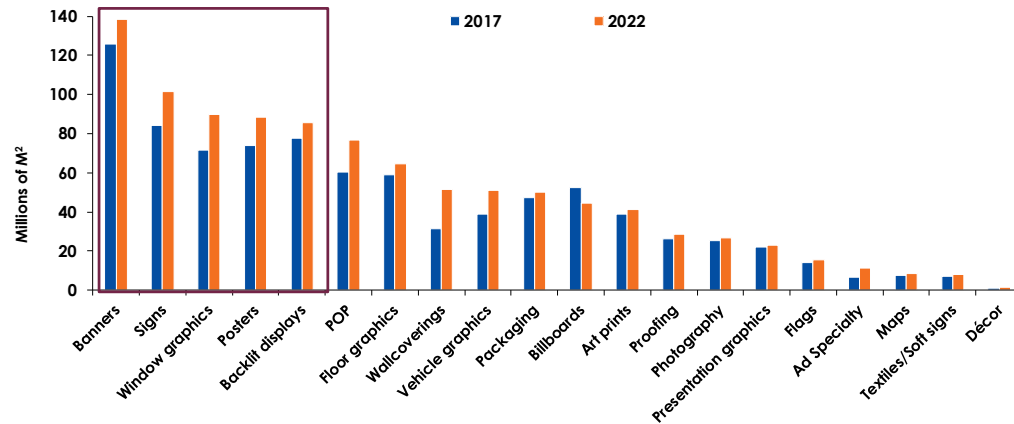
For PSPs who haven't already added digital wide format devices to their portfolios, now is the time to consider them. Incorporating wide format digital technology is an easy process for print providers with digital document capabilities. These businesses already understand digital technology, and wide format is a logical addition to a short-run business model. This also creates the opportunity for additional value-added services such as customised signage for specific locations and managed distribution for prospects and customers alike.

InfoTrends believes that the next growth phase within the wide format digital printing market will be driven by the need to more tightly integrate wide format printing with other elements of advertising campaigns from a messaging and production standpoint. Major initiatives are currently underway to include wide format in JDF workflows that more seamlessly enable digital controls. We are also seeing efforts to drive consistent colour management across devices, and initiatives to drive variable data printing on wide format signage and graphic prints. Furthermore, QR codes and other interactive elements are increasingly being implemented on wide format signage and graphics. This will enable signage and graphics companies to play a role in cross-media advertising campaigns.

The Figure below provides InfoTrends' wide format application volume forecast through 2022. Overall, wide format applications in the EMEA region are expected to account for 1 billion square metres by 2022, and the top 5 applications will represent half of this volume.



Figure 5: EMEA Wide Format Application Volume Forecast



Source: *Wide Format Print Forecast*, Keypoint Intelligence—InfoTrends 2018

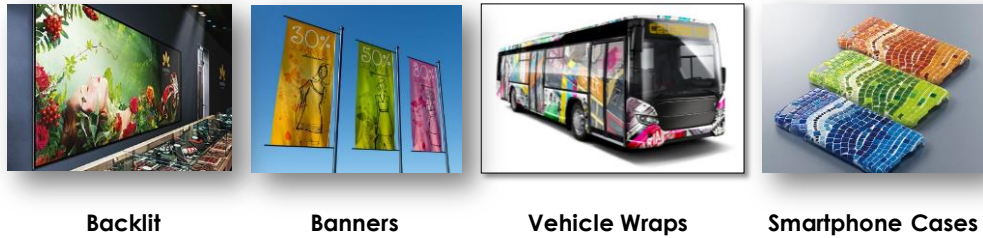
What is the Opportunity?

One of the ongoing trends within the wide format market has been the blurring of the traditional vertical segments. Companies that have historically served one segment of the market—such as the architectural, engineering, and construction (AEC) industry—have been moving into the wide format digital graphics market. Moving forward, InfoTrends expects to see increasing efforts to sell products and technologies developed for the technical wide format market into the graphics segment, and vice versa. Examples of this include colour toner products being positioned as solutions for low-cost, short-term graphics and indoor signage printers. On the other side of the coin, highly capable wide format aqueous inkjet solutions are being positioned as technical document printing solutions, particularly for colour-centric technical applications (e.g., positioning a full colour graphic or photograph side-by-side with a CAD drawing). The advantage of these new solutions is that they can offer better running costs, so PSPs that are in the market for short-term graphics solutions should pay especially close attention to these products.

Although this convergence is certainly occurring, this document will provide separate discussions for companies that print graphics and businesses that print technical documents.

The Graphics Market

The wide format digital graphics market can further be segmented into two types of companies: print-for-pay and print-for-use. The print-for-pay segments include professional wide format digital graphics producers such as commercial printers, sign shops, screen printers, reprographics shops, copy shops, and prepress service bureaus. There are tens of thousands of wide format digital graphics print-for-pay shops in existence. The print-for-use segment of the graphics market includes the corporate marketing departments or central graphics facilities within companies across all types of industries.

**Figure 6: Example Wide Format Graphics Applications****Backlit****Banners****Vehicle Wraps****Smartphone Cases**

Typical Business Models for Graphics Print Providers

A typical wide format print-for-pay shop uses a “cost-plus” calculation when formulating its pricing strategies. This means that the shop uses the cost of its imaging supplies as a basis for pricing wide format print jobs. If a company is pricing an order, then it would simply establish a volume for the job based on quantity times print size. The organisation would then multiply its expected cost per square metre plus its desired overhead and profit margin by the number of square metres. Additional costs would be added for finishing services such as laminating, mounting, and installation. Printing systems that offer lower operating costs clearly help printing companies compete in the market through an advantageous cost-plus model.

Key Drivers for Success

There are a number of factors that can increase the chances of success in the wide format business. The first success factor is having the ability to profitably provide these prints. Even in a growth market like wide format, it is important to understand all of the cost elements and factor them into the “cost-plus” calculation. The second key success factor is having the ability to effectively sell these wide format prints. Different PSPs will have vastly different sets of customers, and in many cases the types of customers that buy wide format prints are very different than the people who buy other types of prints. Individuals that are involved in wide format print campaigns may be ad agencies, merchandising managers, and store planners. Companies that are currently providing narrow format prints but hope to get involved in wide format printing should manage their accounts at a much higher level. Companies serving the wide format market at the highest levels are serving clients with a very consultative sales model, offering design, fulfilment, installation, and management services that provide cost efficiency as well as integration with other marketing and advertising messages.

The Technical Market

The technical market is comprised of companies that print wide format documents to convey technical information. Companies within the technical market are typically engaged in the architectural, engineering, and construction businesses. The technical segment also often includes companies in the transportation, utilities, and communications



industries. Government agencies and educational institutions are also typical users in the technical market. InfoTrends estimates that there are over 2 million firms in Europe engaged in the wide format technical market. Another important component of the technical market is the reprographics shop—a print-for-pay company that typically serves the technical industries identified above with wide format print-for-pay services.

Figure 7: Example Wide Format Technical Applications



Distribute-and-Print Model

The historical model in the wide format technical market had been a classic “print-and-distribute” structure where centralised print facilities would produce prints that would be distributed to the points where individuals could view technical documents. Over the past two decades, this model has been transformed into the “distribute-and-print” model, whereby wide format documents are sent in digital form or accessed by local users, then printed only in the quantities needed at the users' locations.

According to InfoTrends' research, shipments of high-end devices—historically known as high-volume technical document printers—located at centralised facilities have declined significantly over the past 10 years. Today, the in-demand devices include low-end and mid-range digital systems that offer many of the benefits of high-end systems in terms of controller functionality and paper handling, but with lower costs and smaller footprints.

Key Drivers for Success

Companies that retool their workflows can see a significant improvement on multiple levels. First and foremost is the more effective communication of technical information, which can result in substantial cost reduction due to less rework of important engineering and construction projects. Also, working in a properly designed and implemented distributed print setting can reduce the amount of time that professionals need to wait for print jobs. It is therefore important to implement the right device with the proper configuration in the right setting to ensure that these efficiencies are realised. If the printer is too slow, professionals will be standing around waiting for their prints. If the right controller tools are not in place, it will be difficult to properly assign job costs.



Why Invest?

Wide Format Differentiation

The wide format graphics market offers a more diverse range of application possibilities than ever before. For this reason, many PSPs are investing in high-speed wide format printing devices to satisfy the demand for just-in-time production and fast turnaround times. It is critical for providers to offer the primary applications that are part of the wide format market, including posters, signs, and banners. Wide format can also open opportunities into new markets (e.g., interior wall décor, high-end POP, vehicle graphics, and backlit displays.) Companies that invest in these wide format devices can differentiate their businesses with stellar customer service, greater throughput, and affordable costs for colour output. As noted earlier, wide format applications are particularly attractive because they often offer much higher profit margins than traditional, long-run print jobs.

Greater Speed

On the monochrome side of the technical market, key advantages that toner-based printers offer over many inkjet printers include greater speed/productivity and a lower operating cost. The development of single-pass wide format inkjet devices has significantly increased speed and productivity, but these devices are considerably more expensive than toner devices.

Lower Operating Costs

Operating cost is calculated by adding up the cost of the printer, ink/toner, print media, services, and user-replaceable parts. While inkjet printers on the technical side are typically quite inexpensive to buy, the operating costs are very high compared to toner-based printers because of the high cost of inkjet ink. On the graphics side, the model is reversed—whereas the initial investment in an inkjet printer (eco-solvent, UV, latex) is higher, the ink cost is on the lower side.

A Unique Value Proposition

Today, companies that buy wide format graphics spend anywhere from €6 to €400 per square metre for a wide format graphics print. For print-for-pay service providers, it is now quite possible to produce and fulfil short-term graphics on a highly profitable basis. With profit margins running between 40% and 60% for short-run graphics projects, the opportunity for expansion is very real.

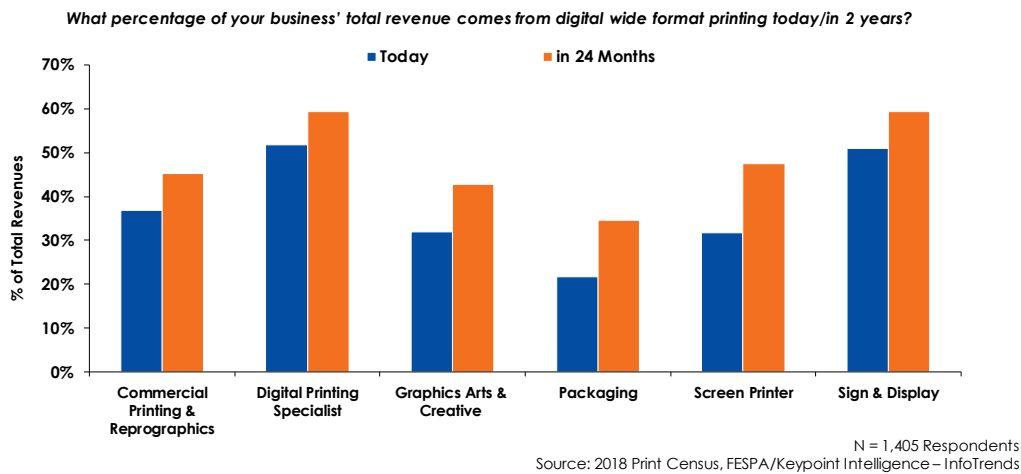
The availability of a device that enables cost-effective short-term signage is a substantial advantage that should drive additional signage campaigns. According to a study by FedEx Office, 68% of consumers purchased a product or service because a sign captured their attention.



What Does This Mean for My Business?

For print-for-pay companies and in-house printing operations, wide format can be a profitable line of business that can be added to better serve existing customers while also attracting new ones. For firms currently offering wide format, now is a great time to invest in new technologies that can lower operating costs and speed turnaround times. Recent research from InfoTrends confirms that on average, wide format print providers attribute 44% of their total revenues to digital wide format printing. This share is expected to reach 53% in two years.

Figure 8: Share of Revenues from Digital Wide Format Printing



What Are the Benefits to My Customers?

The latest wide format printing technologies offer several advantages to the market, including the ability to customise images to more effectively communicate advertising and promotional messages. These messages are frequently developed on the print buyer side and ordered at the last minute. Today's wide format printers offer greater speed and excellent quality, enabling wide format graphics producers to service this very demanding environment.

Wide format graphics are one of the most cost-effective ways to communicate information to a large audience. Studies have shown that wide format signage can be anywhere from three to ten times more cost-effective than alternative advertising methods (e.g., newspapers, magazines, television, and radio advertising). In addition, it is widely believed that POP advertising can impact as much as two-thirds of in-store purchasing activities.

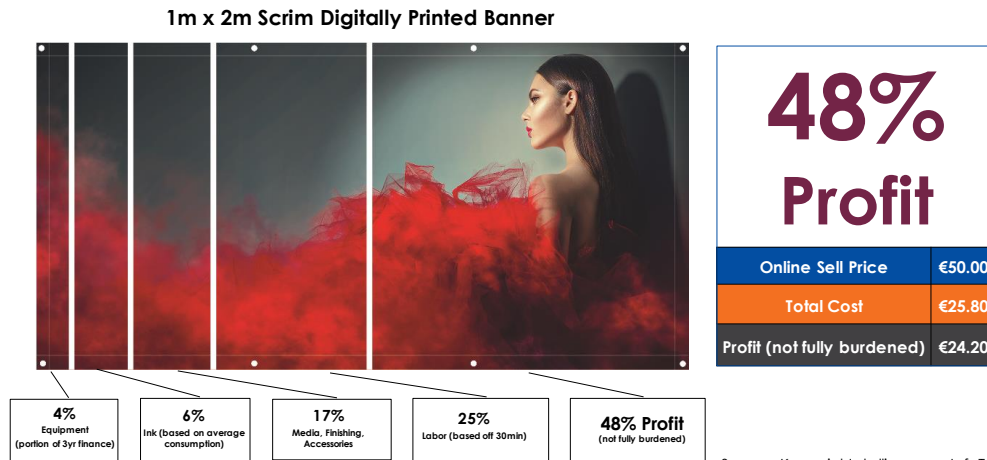
Marketers today are being asked to do more with less, which is fuelling the requirement for effective use of advertising budgets and return on marketing investments. Wide format digital printing meets the needs of marketers across a wide variety of industries because it is a cost-effective way to communicate product and promotional messages, often in locations where they can directly influence consumer behaviours.



What is the Return on Investment for Getting Involved?

When it comes to transformational work processes and the improvement of communications for overall business, return on investment (ROI) is not a simple calculation. Calculating the ROI for product purchases alone, however, is more straightforward. Using a simple set of data from InfoTrends' research on typical wide format print volumes per machine and a set of prices on supplies and average retail price, it is possible to develop a quick monthly business case for wide format graphics printing.

Figure 9: Typical ROI Breakdown for a Banner Sold Online



Source: Keypoint Intelligence – InfoTrends

Planning for Success: How to Get Started

Although wide format printing is not for every organisation, it does make sense for many. For commercial printers that already have digital document capabilities, adding wide format application is an easy process. These companies have already incorporated short-run business models with value-added services, so wide format can become just another component of the services portfolio. Furthermore, the customers for whom you print ads, brochures, catalogues, and sell sheets are typically spending heavily on signage elsewhere. Plus, these same customers who are seeking shorter turnaround times, shorter runs, and more personalisation in their print-production jobs want the same things from their signage providers.

Any capital investment should only be executed after careful business planning. Having the right production technology is only one piece of the equation; the most successful wide format undertakings will also leverage expertise from a variety of team members as well as all the benefits the technology has to offer. Equally important to the investment discussion is a strategy for sales success. By concentrating on the following areas, businesses can better position themselves for success in the wide format market.



Know Your Customers

The most obvious starting point for achieving wide format sales success is to consider your existing business and the profile of your customer base. Selling wide format graphic prints to existing customers is a good idea, but the sales cycle might take longer than planned if the customers who buy other services from you are not involved in the procurement of wide format print services. Determine which customers could be buying wide format printing services, then develop a direct contact plan to introduce these services. The next step is to look at similar local businesses and build on your experience with your first set of customers to expand to new accounts.

Once you have determined your target customers and established a loyal customer base, it's very important to obtain customer feedback. Understanding what your customers like and dislike about your company and its products can be extremely beneficial. Many successful wide format marketers conduct focus groups and customer councils, initiate surveys (online or offline), and invite feedback through their websites. Not only do customers appreciate this one-on-one connection, but it will also provide you with information that can help guide your future marketing direction.

Know Your Market

Understanding your market is one of the most important aspects of successful marketing. It might seem obvious, but many well-thought-out marketing campaigns have failed because the market was not clearly identified and understood. When it comes to attracting wide format customers, there are many potential targets—will you be serving print buyers directly or targeting exhibit/display/tradeshow companies that must offer effective wide format printing solutions to their customers? Are there local shops that will outsource their wide format business to you? Identifying who your customers are is the most important aspect of marketing. You must also understand that customer identity is fluid and may suddenly change without warning. For instance, you could lose an important customer if one of your targets ultimately decides to bring wide format printing in-house.

Targeting a particular segment of the industry is beneficial because it makes it easier to serve that set of customers with solutions that fit their businesses. By uncovering the types of wide format output that these businesses purchase and use, it becomes easier to understand the capabilities required to capture business from them. Sample segments include government, food and beverages, entertainment, travel and hospitality, real estate, and automotive.

It is also important to understand the common practices within these key customer segments. For example, the food and beverage industry is a leading purchaser of wide format printing, but it should also be noted that many of the bigger distributors within the



supply chain produce graphics for these beverage industry customers via their in-plant graphics operations. These in-plant graphics operations are highly invested in producing as much of the wide format output as the beverage companies can order, so the direction of this segment is not trending toward independent wide format print providers. On the other hand, many of the establishments in the automotive, retail, and fashion segments are operated by large corporations that control procurement centrally but frequently rely on local service providers to reduce shipping charges.

Know Your Competition

It's important for every business to spend ample time examining its competition to identify highly competitive areas and uncover opportunities to differentiate with products and services. Obtaining key information about your direct competitors will help you position yourself for profitability. How many other wide format print providers are in your area, and which types of wide format services are they providing? Will you have (or can you acquire) a price advantage, or will you create differentiation so you can charge more? Are there services that are not yet being offered that you can explore to make your business stand out?

You must also understand your local market to properly position and price your wide format graphics. If there are an abundance of local competitors, the market is more likely to be highly price-sensitive for conventional wide format items such as posters, signs, and banners. Even when a high concentration of print competitors exists, though, high service levels—design assistance, digital asset management services, installation, and management services—can still serve as a differentiator.

Know Your Product

As any experienced marketing professional will tell you, you won't be able to make the sale if you don't know your product inside and out. Thorough product knowledge is a cornerstone for successfully marketing your wide format business. Even though wide format specialists are selling services rather than single items, traditional sales techniques still apply. Here are two suggestions developing a better understanding of your product:

- ◆ Obtain as much written information as possible on your product. This includes the wide format printers that are used to produce output for customers. You must read up on all the features and benefits of your products.
- ◆ Collect as much written information as possible about your wide format hardware, software, and media. Keep these brochures handy, open them up in front of your customers, and go over the details step by step. It helps if you can create demand where demand has not existed in the past. For example, PSPs can capture additional wide format printing business by helping prospects recognise the benefits that they will realise as a result of implementing more visual advertising.



Develop a Pricing Strategy

Not all customers are created equal. Strictly on a product basis, wide format digital graphics print services are typically offered in levels based on volume, media, and any applied finishing services. Individual customers may require additional pricing levels based on relationships, sales history, campaign needs, or size/origin (e.g., community groups or non-profits).

Practice What You Preach!

Regardless of whether your wide format print business has 3 employees or 50, a strong sales force is of paramount importance. Although your strength does not necessarily have to come in numbers, it should come through in knowledge. Sales professionals must understand their company's marketing strategy and goals, as well as the previously mentioned factors like markets, customers, and competitors.

InfoTrends has seen an increasing number of printing establishments using Open House events to market and sell their wide format print services. During these events, businesses often create eye-catching, innovative prints using their wide format printing equipment. They might apply window or floor graphics; wrap a car or van; or print onto sails, furniture, or other types of attention-grabbing fixtures. This work can then be prominently displayed to make a splash and encourage customers to imagine innovative new options for advertising and display graphics.



InfoTrends' Opinion

The wide format segment of the printing industry continues to grow and evolve in terms of hardware, ink technology, and workflow software. Some printers are capable of printing almost any type of material imaginable, and the throughput of today's devices makes next-day turnaround a reality in many cases. The wide format digital print market continues to grow due to greater demand for the applications from the buyer side and improved economics from the technology or supplier side. Ultimately, wide format printing—regardless of whether it involves graphics or technical documents—is successful because it works! Customers understand that wide format applications are effective advertisements, compelling information transfer tools, and a highly cost-effective means of delivering marketing messages.

Thanks to the rising demand for immediate application, customisation, and just-in-time production, digital graphics providers are under intense pressure to fulfil their customers' needs. In addition, the demand for low operating costs and more easily recyclable output puts an even greater emphasis on the economics and sustainable operations of these suppliers. Fortunately, the technology now exists to deliver on all these promises.

PSPs that make the right investments can certainly capitalise on the high profitability of wide format digital graphics output, but the opportunities are not limited to the digital graphics market. The transformation that is simultaneously occurring in the wide format technical market also represents a strong opportunity because of the changeover to distributed printing and more colour-oriented processes. Wide format digital printing is one of the few areas within the global printing market that is experiencing rapid change and steady growth. There has never been a better time to get involved!



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[Comments or Questions?](#)

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