



UV Wide-Format Printing: How quality, turnaround time and versatility create uniquely profitable opportunities

UV Wide-Format Printing White Paper

Table of Contents

1. Introduction	3
2. Who are my customers, and how does my business meet their needs?	4
3. Build a base of work, and then jump in	6
4. Wide format has a small learning curve	7
5. Quality is table stakes, turnaround drives sales	8
6. Real-world results	9

1. Introduction

Digital wide-format graphics printing—inkjet imaging on printers above 24 inches wide—is not a new development in the graphic arts industry, and printing companies should not overlook the opportunity. According to a 2013 study from InfoTrends, 39.4% of wide-format print buyers get their work from general commercial printing firms.”¹

In a recent article², industry analyst Marco Boer of I.T. Strategies points out that wide-format printing can be an especially attractive opportunity for commercial printing firms looking to add a popular niche. “Retail pricing for wide-format graphics output remains quite high for small volumes of output,” he states, noting that average retail selling prices are around 30 and 40 £ per square metres.

“Statistically,” Boer says, “well under 10% of commercial printers offer wide format graphics printing services today.” Boer states it is key to get into a given local market before competing commercial printers do. For those that do, he notes, “expanding services to include wide format graphics printing is among the lowest-risk and highest incremental profit opportunities accessible.”

Printing companies doing direct mail, brochures and other marketing collateral have an opportunity to expand into retail point-of-purchase (P-O-P) signage and become more of a one-stop resource for business marketers and advertising agencies.

In a market where mobile media are an ever-growing presence, signage is ideal for introducing businesses to consumers in highly visible placements while driving those consumers to online marketing experiences with QR Codes and augmented reality applications.

Implementing a successful wide-format strategy is simpler than many would expect. It might start with a printing company working to expand its existing customers’ marketing into signage applications. Then there are also opportunities to bring in new customers, using relatively turnkey UV printing systems that offer high quality and fast turnaround times.

¹ “Wide Format Printing: A Critical Element in the Communications Mix, InfoTrends, July 2013

² Boer, Marco. Wide Format Graphics Printing: The Numbers Speak Loud and Clear for those with the First Mover Advantage, WhatTheyThink.com, February 6, 2013.

2. Who are my customers, and how does my business meet their needs?

Many printing companies choose to add wide-format printing because it is an adjacent need for their current customer base. These print businesses may have customers who buy signage and other large-format graphics from someone else.

Alberto Garcia de Quevedo, CEO and founder of Moti Printing in Guadalajara, Mexico took his queues from his customers. Recognising their growing need for a variety of different types of printed products, he adapted to meet those needs."

He doesn't think of his company as a traditional printing company. Instead he sees it as a dynamic entity that changes to meet customer needs. "I looked at what companies needed and provided it," he says.

As a result, Moti has grown into a full-service company that offers everything from photo reproductions and collateral materials to signs and custom displays. By providing customers product extensions, it has grown from a one-man operation to 150-person company in a nine year period.

Adding large-format capabilities provides residual benefits. Commercial printing company, Skånetryck, located in southern Sweden added large-format digital printing to service its customers. At the same time, managing director, Håkan Walhed decided to offer his services to other commercial printers allowing him to tap into an entirely new customer base.

"We thought digital would be a nice little complement to our existing production, but it has become the fastest growing side of the business. We need to expand this faster and sooner than expected" says Walhed.

Agencies represent another important target market for commercial printers. Quality aside, agencies will purchase wide-format output without having an extensive background in wide-format graphics. Those situations present an ideal opportunity for a printing company to be more of a consultative partner to the customer.

"Agency people are as varied as you can imagine," notes one printing company owner, Greg Smith of Vector Printing in Chattanooga, Tenn. "There are people who probably know as much about out-of-home as you do. But sometimes you have someone who knows how to buy a print ad but has no clue about P-O-P, and if you can help that agency person navigate and look intelligent in front of his or her client, then you have hit a home run."

While the opportunity to teach customers works in printing companies' favour, sometimes it is the printing company, and not the customer, that needs to learn about a new market. Allegra Castleton's John Long found this to be true soon after installing a wide-format printer.

"The biggest thing for us was that we had to learn how to look to other markets, such as retail," says Long. "We were so used to talking about brochures and direct mail pieces, and we had to coach ourselves on talking point of purchase."

Looking for opportunities? You'll find them everywhere.

In addition to the traditional out-of-home advertising billboard market, there are many target markets to consider for wide-format printing, including event marketers, trade show organisers, malls and retail businesses—as well as other businesses and organisations that often need exterior signage and indoor décor, such as banks, colleges and churches. Plus, in many places, real estate is beginning to come back as a market for wide-format signage.

In each of these markets, it comes down to seeing opportunities and then grooming prospects to win the job. But with wide format, many people don't see the myriad opportunities right in front of their faces.

"There's just a ton of this type of work out there, and if you start looking for it, you'll see it everywhere," explains Vector Printing's Greg Smith. "Go to the mall or drive by any restaurant, and you'll see that P-O-P is huge."

A large portion of Vector Printing's business is P-O-P signage for fast-food/quick service restaurant chains. Those businesses often pool a portion of their revenues in a particular region to create marketing co-ops responsible for rolling out new menus and signage designs.

There is great variety in the type of work Vector produces for these firms, including window clings, magnetic for window boards, posters, banners and floor graphics. Although getting in with this type of customer requires effort and dedication, the opportunity can be lucrative, with a large amount of repeat business.

In a chain fast-food restaurant, for example, start with the fact that each restaurant may have 15 printed pieces on a menu board. "Each one is probably a piece of styrene that's printed with high-resolution UV inks and costs \$5 to \$10 each," explains Smith. "They're changing that signage out once a month or once every three months.

"Then you go through the drive-through, and you might have 15 or 20 pieces, and in the window you might have five or six pieces," Smith adds. "The good thing is that these will change six or eight times a year."

There is also a great deal of work with transit agencies. Vector Printing, for example, serves brokers who sell transit work in Miami, Minneapolis and New York, and the work ranges from subway posters on self-adhesive media to signage for buses, transit shelters and telephone kiosks.

Bus signage is some of the most enduring transit work available. The 30 x 144-inch bus "king," 30 x 88-inch "queen" and 30 x 42-inch "tail" ads Vector prints on adhesive vinyl rotate every 30 days for a lot of repeat business.

"It is all very common advertising. You see it every day but just don't think about it," says Smith. "But there are transit agencies and businesses such as Clear Channel that are buying that advertising every day, and buying lots of it."

Sometimes it is simply opening your eyes to what is already around you. According to Beppe De Bartolo, managing director of Bari, Italy's Pubblicità & Stampa, "After spending the first two years working for a large exhibition company, we became emancipated and we're now exploring the universe of packaging and POS materials, and that is just the beginning. I have to recognise that undertaking the digital path has opened our mind and enlarged our horizons, as well as generated new profits.

"Offset and inkjet are two different technical worlds, but are inseparable in terms of offering. The same customer who was buying a catalogue, is now asking me for a banner. And the other way round," he adds.

3. Build a base of work, and then jump in.

Ideally, a printing company will take the time to learn the lingo of signage and P-O-P sales before installing the printer. Print professionals can build their expertise in the subject—and improve the ROI of their print device—by securing a steady, initial stream of large-format work and brokering it out at first.

“When we started with wide format, we brokered work out until we had some volume,” says CC West’s Diorio. “That way, there was work on our printer as soon as it was installed.”

When it becomes time to purchase a printer, printing companies can realistically expect to pay off a production device in about 18 months. According to Diorio, having a base of work established before the printer is installed can help shorten that time to as little as 12 months.

Another big tip for printing companies getting started in wide format: Consider starting with UV printing in a hybrid flatbed/roll format for greater flexibility. “Board printers and UV printers can print on nearly everything, so it gives you lots of flexibility,” explains Diorio. “We’ve especially fallen in love with UV because it allows you to print on so many things. Solvent printers are great, but you need specialty media. With UV, you can print on expensive or lower-cost substrates.”

In addition to the versatility UV inkjet offers in terms of substrate compatibility, having a well-designed hybrid roll/ flatbed format printer was perhaps the most important factor in Allegra Castleton’s return on investment.

Says Allegra’s Long about his company’s move into wide-format printing, “We found we had to make adjustments to projects on labour. That’s what got us into the EFI wide-format UV hybrid printer. It took a tremendous amount of labour cost out of the equation.”

Meeting the challenge requires calculated risk. “Our company was the typical well-established litho business, with some money to invest. We were curious about entering the digital world, but also sceptical—consciousness of not being aware of certain materials and production stages, admits De Bartolo of Pubblicità & Stampa – but in the end we decided to move forward, but before signing the lease, we defined the minimum monthly turnover to amortise the investment. Well, just few months later that amount was more than doubled and we started to make profits.”

4. Wide format has a small learning curve

One of the biggest advantages of wide-format printing is its relatively short learning curve. Although it is important to network and find experienced contract installers for the different types of jobs produced (e.g., billboards, point-of-purchase, and building and vehicle wraps), when it comes to in-house production, most printing companies already have expertise in managing digital files for offset or digital press work. Handling files for wide-format printing does not require a whole new set of skills, and operating the equipment does not have to be as complex a task as running analogue equipment, such as screen printers or offset presses.

Some printing companies find the switch to digital inkjet to be quite easy. "If you buy the right equipment and acquire the expertise, it is a piece of cake," exclaims Vector Printing's Greg Smith.

Another advantage: Customers who are experienced in buying wide-format printing will send good files that require little re-work in pre-press. Vector Printing, for example, has been successful as a dedicated wide-format shop without having dedicated design staff in its prep department. "Everything we get comes in ready to print," Smith explains. "Sometimes have to tweak files, but in general we don't have to do design work."

Survey data highlight signage's appeal.

When it comes to attracting customers, good signage is the way to go for small businesses, according to a 2012 survey commissioned and released by FedEx Office.

- Nearly 8 in 10 (76%) consumers say they have entered a store they have never visited based on its signs.
- Almost 7 in 10 (68%) consumers surveyed say they have purchased a product or service because a sign caught their eye.
- Three out of four consumers say they have told someone about a store simply based on its signage.

The "What's Your Sign?" survey of American consumers measured the attraction power of signage and its impact on shoppers' intent to visit a store, make a purchase and more.

- More than two-thirds (68%) of consumers believe that a store's signage is reflective of the quality of its products or services.
- Poor signage can deter consumers from entering a store. Over half (52%) of respondents say they are less willing to enter a store if they spot misspellings or poorly made signs.

Source: FedEx Office Survey Finds Effective Signage Critical to Store Sales, Printing Impressions, May 14, 2012.

5. Quality is table stakes, turnaround drives sales.

Although agencies may be adept at providing clean, well-designed files, they definitely expect quality print results. In fact, high quality is often the first thing a printer must be able to offer.

“Quality is the most important factor because I work with so many agencies that would push back if we weren’t giving top-of-the-line prints,” explains CC West’s Diorio.

Fortunately, the quality he gets with his wide-format equipment also gives him a competitive advantage. “Our customers look at other providers, particularly online providers, and think they can try to get things faster and cheaper,” he says, “but we’re trying to emphasise the best quality, and I think we can sell on that quality.”

While quality is the first thing Smith says his customers are looking for at Vector Printing, it is followed closely by turnaround time. “It is amazing how fast this has become,” says Smith. With large customers such as fast food franchises, “You used to have 12-15 days do all the signs for a particular market.

Now people ask for next-day turnaround on a job that takes at least four hours just to print. FTP sites are critical in this environment. Everything is going online. We see it every day, and it really impacts our business.”

Likewise, at CC West Printing, “Clients are looking for turnaround times,” according to Diorio. “It is what we are most known for. We get lots of next-day/same-day requests.”

Turnaround time is a competitive differentiator for some customers at Allegra Castleton. “When we work with event marketers, turnaround time is very critical,” says Long. “It might be a situation where a customer tells us, ‘There’s a race coming up this weekend, and we need new sponsor signs and new banners as soon as possible.’”

Lieven De Schampheleere, managing director of Triakon in Edegem, Belgium had already added wide-format to his offerings, but decided to upgrade his equipment because of the growing need for higher quality and faster turnaround.

Purchasing Goals

For the company that you prefer for wide format prints, why did you choose this provider?



N = 536 Wide Format Buyers

Source: *Wide Format Printing: A Critical Element in the Communications Mix*, InfoTrends 2013

6. Real-world results.

Although wide format is thought to complement commercial print and direct mail, it is priced very differently. For many printing companies, wide format can be an escape route from commoditised, low-margin work.

Given that turnaround time is often the most important concern, meeting tight deadlines at CC West means that “you can price your work to make it worthwhile to you,” says Diorio.

The margin available with work printed on unusual, rigid substrates is part of the reason his company likes having flatbed UV printing capabilities.

While some of the more common wide-format substrates, such as Sintra PVC foam board, do not carry as much pricing flexibility, “We print on materials like metals and woods,” says Diorio. “And when you are the only person in town who can print on wood, you can charge more.”

For many companies, the fact that wide-format work is not as price sensitive as other printing makes all the difference.

“It is really about more than price in this market,” explains Smith. “Most of the people we work for know that if we aren’t making decent money, we won’t stay in business, and they are fair about it. I hear some people in the sheet-fed offset market talk about beating each other up over price. But with wide format, there is some margin still in our business.”

“Wide format complements our existing work, but it has also become the growing part of our business,” says Allegra Castleton’s Long. “Commercial print has been flat. Although wide format is still competitive, it is not as price sensitive, and it offers some tremendous margin possibilities.”

Will digital eventually replace offset? De Bartolo of Pubblicità & Stampa thinks so. “In 2006 the investment in a new 8-up offset press was already difficult, now that would be impossible, if not suicidal. For this reason we’ve already made our decision. We are evaluating the investment in new wide-format digital printing and finishing technologies.”

Why EFI?

EFI™ (www.efi.com) helps businesses worldwide bring their visions and goals to life with a scalable, digital product portfolio. Our powerful servers; controllers; RIPs; inkjet printers, and precise colour and imaging solutions help companies increase their brand recognition and market reach on signs, buildings, bus wraps, graphic displays and more. Our business automation software helps companies work faster and more cost-effectively. Our office, enterprise and mobile cloud solutions help companies create, access, and communicate impactful information that can win them more business.



Electronics For Imaging UK Ltd
Manor Farm, High Street
Dronfield, Derbyshire S18 1PY
United Kingdom

+44 (0)1246 298000 tel
+44 (0)1246 412401 fax

www.efi.com

Auto-Count, BioVu, BioWare, ColorWise, Command WorkStation, Digital StoreFront, DocBuilder, DocBuilder Pro, DocStream, EDOX, the EFI logo, Electronics For Imaging, Fabrivu, Fiery, the Fiery logo, Inkware, Jetrion, MicroPress, OneFlow, PressVu, Printelect, PrinterSite, PrintFlow, PrintMe, PrintSmith Site, Prograph, RIP-While-Print, UltraVu and VUTEK are registered trademarks of Electronics For Imaging, Inc. in the U.S. and/or certain other countries. BESTColor is a registered trademark of Electronics For Imaging GmbH in the U.S. The APPS logo, AutoCal, Balance, ColorPASS, Dynamic Wedge, EFI, Estimate, Fast-4, Fiery Driven, the Fiery Driven logo, Fiery Link, Fiery Prints, the Fiery Prints logo, Fiery Spark, FreeForm, Hagen, the Jetrion logo, Logic, Pace, Printcfe, the PrintMe logo, PrintSmith, Print to Win, PSI, PSI Flexo, Rastek, the Rastek logo, RIPChips, SendMe, Splash, Spot-On, UltraPress, UltraTex, UV Series 50, VisualCal, the VUTEK logo and WebTools are trademarks of Electronics For Imaging, Inc. in the U.S. and/or certain other countries. Best, the Best logo, Colorproof, PhotoXposure, Remoteproof, and Screenproof are trademarks of Electronics For Imaging GmbH in the U.S. and/or certain other countries. All other terms and product names may be trademarks or registered trademarks of their respective owners, and are hereby acknowledged.

© 2013 Electronics For Imaging

U161.10.13_UK