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

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

When companies become more proactive about expanding their offerings, they often find the value wide-format printing can bring. Industry organizations such as InfoTrends cite the strong and continued growth opportunity, with wide-format printing having an estimated retail value of $18.7 billion in North America in 2013 and a 7.9% compound annual growth rate through 2016.

North American Digital Wide Format: Retail Value of Print

Source: InfoTrends
In a recent article, 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 $6.00 per square foot.

“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.

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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.

For one printing company, Indianapolis-based Allegra Castleton, adding wide-format signage with an EFI digital inkjet printer was an important, consultative extension of services. “Our clients are looking to us for new ideas,” explains the business’s co-owner, John Long. “Maybe they’ve bought a new building and want new signage to promote themselves, or even need new graphics for the interior. They come to us because of the reputation we have already established with them providing print and mailing, but they want a one-stop solution.”

In those cases, winning new work becomes easier. “Customers have told us they don’t have time to get bids from everybody,” Long explains. “If you can understand the process and understand their pains and offer them solutions, it puts you at the top of the list.”

Ad agencies, particularly those that regularly handle out-of-home billboard and signage media purchasing, may represent a new niche of customers. Those types of customers are likely to be very concerned with print quality, and the newer UV inkjet wide-format printers are more than up to the task. They offer the high-productivity throughput and image durability needed to handle distance-viewing outdoor media applications while also offering higher-resolution indoor-viewing options for close-viewing work.

Much of the agency work that CC West Printing in Austin, Texas, produces is indoor retail signage. Although this work requires a compromise in speed—running an EFI wide-format roll-to-roll UV printer at an eight-pass, 312-square-foot per hour speed as opposed to a four-pass, 547-square-foot per hour speed—agencies, in particular, appreciate the imaging quality.

“Quality is pretty important to us, so we run everything at highest settings,” explains CC West Vice President James Diorio. “That results in slower speeds on turnaround, but customers are pickier than ever. Unlike billboard printing, where it is 200 feet away, this is up-close viewing work we’re doing, and the higher quality has to be there.”

Quality demands aside, in some cases, 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’ favor, 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 organizers, malls and retail businesses—as well as other businesses and organizations that often need exterior signage and indoor décor, such as banks, colleges and churches. Plus, in some parts of the country, 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 30x144-inch bus “king,” 30x88-inch “queen” and 30x42-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.”
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 labor. That’s what got us into the EFI wide-format UV hybrid printer. It took a tremendous amount of labor cost out of the equation.”
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 analog 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.”

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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.

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 emphasize 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.’”

### Purchasing Goals

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

- Best prices: 61.2%
- Fastest turnaround time: 48.7%
- Good/efficient customer service: 42.0%
- Best quality of products: 39.6%
- Knowledgeable staff: 28.4%
- Convenient store locations: 26.9%
- Wide range of products/services: 26.5%
- Expert design help available: 19.8%
- Can integrate signage with digital media channels: 7.1%

N = 536 Wide Format Buyers
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 commoditized, 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.”

6  Real-world results.