



by John Zarwan

A Wider View of Opportunity

Printers undertake a variety of strategies to combat slowing sales and declining margins. All are – or should be – focusing on productivity improvements and increasing sales both to existing and to new customers. One popular approach has been to increase or establish so-called value-added services like fulfillment, direct mail, finishing and, well, the list goes on.

Many printers seek ways to expand into new markets. While opportunities in packaging and digital printing, among others, get much of the press, companies are finding opportunities in less publicized areas. Wide-format printing fits this bill. This market can hardly be considered hidden. After all, wide-format applications are everywhere in plain sight as posters, backlit displays, banners, billboards, building wraps, exhibition graphics, point-of-purchase displays, street furniture ads, transit posters, fleet graphics, and wall murals, to name just a few.

As this list indicates, wide-format applications are diverse, serving a variety of markets. While no individual market can be considered large, the overall opportunity is big enough to be of interest. For example, the marketing research consultancy IT Strategies estimates the worldwide value of point-of-purchase advertising to be in excess of \$60 billion, and outdoor advertising another \$25 billion. The print provider of wide-format graphics accounts for about \$25 billion of that. The firm forecasts a nine per cent compound growth rate, bringing the printing value to \$40 billion by 2007. Using some rough rules of thumb, the Canadian market might be as much as \$1 billion. Not as large as commercial printing or packaging, perhaps, but enough to be of interest, and certainly too large to be considered a niche.

Although commercial and publication printers have certainly felt the impact of declining advertisement pages and conventional marketing budgets, out-of-home advertising is a large and expanding market, as ads move closer to the point of purchase. It allows a marketing campaign to take advantage of multiple venues, including indoor and outdoor, and reinforces other, more traditional methods and media use.

In addition to its growth prospects, wide-format applications have other attractions. First and foremost, it allows printers to expand the relationship and the offering with many existing customers. Why limit your production to only part of a marketing campaign? Many commercial printers already print some wide-format applications, typically posters and some POP, particularly smaller format items.

But to be truly successful probably means not only broadening the product offering but looking at new technologies. A variety of methods are used to produce wide- and super-wide format applications, including hand painting and screen printing, but digital

technologies are very promising and practical, particularly inkjet. Inkjet wide- and super-wide or grand-format printers provide run-length flexibility, shorter set-up costs, faster turnaround and lower labour requirements.

Printers already have colour imaging expertise and are comfortable with handling digital files. In fact, many graphics companies already use wide-format inkjet printers for proofing. A number of printers and prepress companies have already built successful extensions of their business with large-format inkjet printing. Indeed, according to State Street Consultants, a U.S. market-tracking firm (and my former employer), 15 per cent of Canadian printers already have an inkjet printer that is used primarily for final output, about as many as those who use a wide-format inkjet printer for proofing.

Of course, extending your knowledge and equipment to producing final saleable output requires some adjustments. It is not just a matter of selling the output of your inkjet proofer as something other than a proof. Although the equipment is capable of serving part of the market, you will need different inks, substrates, and, particularly finishing and converting. You may even need a larger and/or more productive machine, capable of even larger output or one that can use solvent-based inks. *Wide Format Printing: An Introduction and Buyers Guide* by Kenneth Sandlin is excellent and relatively inexpensive source for this information.

In addition to technical issues, printers will be competing with an assortment of new – and quite different – faces. The variety of wide-format applications and the range of methods and devices used to produce them reflects the diversity of suppliers. They vary in size, heritage, and specialty, and include screen printers, photo labs, exhibit companies, billboard manufacturers, digital imaging services. Some are focused completely on POP or outdoor display; others provide an array of services, including design, set-up and installation. Some may offer analogue manufacturing only, some digital only, others a mixture. Their knowledge, customer contacts, technology, and cost structure means that the transition won't necessarily be as easy as just saying you offer these new products and services.

But the market is worth exploring. Keep your eyes open. Next time you're in a supermarket or even a bar, a theatre or a trade show, identify the wide-format applications. What is interesting to you? What might be of interest to your customers? What might they already do? Talk to your customers. ☎

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