Digital Print for the Creative Industry Survey
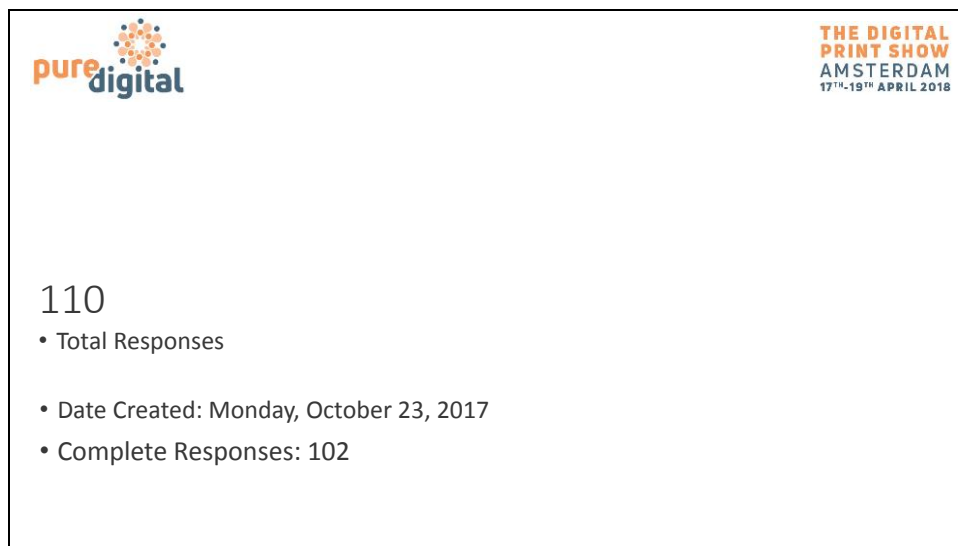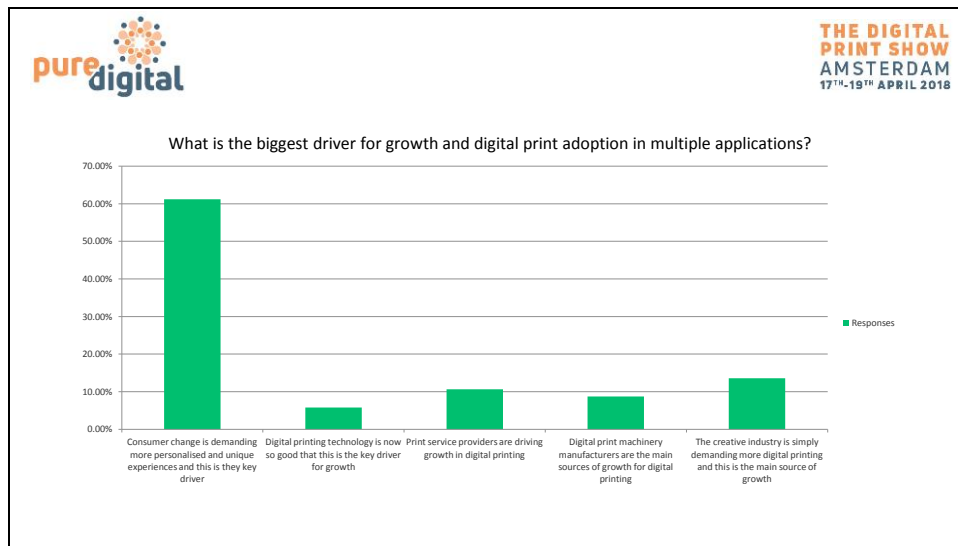November 2017
Marcus Timson, Co-Founder

In October 2017, Pure Digital conducted survey was conducted to professionals from the world of design and print to ascertain the key issues, challenges, opportunities and trends for short run digital printing for commercial print, packaging, retail and décor. 110 people completed the survey from across the supply chain: designers, agencies, printers, suppliers and OEMs.

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## 110
• Total Responses

• Date Created: Monday, October 23, 2017
• Complete Responses: 102

In the fast-paced and highly competitive environment of 2017, designers and creatives are keen to create a design that makes a unique statement and arrests the attention of the increasingly distracted consumers to grab attention. Within the context of this fast-paced and personalised world, the opportunity that digital printing can give consumers and businesses should not be underestimated.
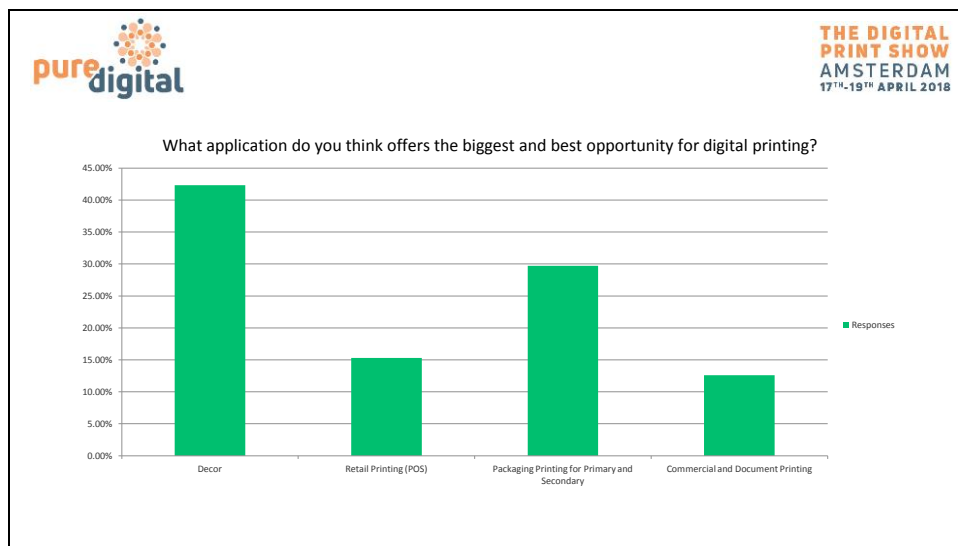
The fact is that analogue techniques restrict creativity. Over many generations, a huge investment has been placed in refining analogue printing processes. And for printing technologies such as gravure, this tends to limit creativity. The responsibility on whether a product sells can weigh heavily on a designer, because if a design doesn't work, then the stock gets wasted, and much is lost in the process. Not least money and confidence!

In contrast, digital printing technology gives the designer the freedom to try things out, to experiment, to be creative and fire their imagination. Obviously, it is important to have designs that are on trend from a current standpoint, but the option to experiment with designs that pushes boundaries without it posing huge personal and professional risk is both liberating for designers and hugely appealing to buyers. This capability is leading to growth and new market formation. Whether this is digital printing for brochures, magazines, direct or transactional mail, luxury packaging or décor, the opportunity is similar and the value is compelling as it synchronises perfectly with the modern digital age.

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THE DIGITAL
PRINT SHOW
AMSTERDAM
17TH-19TH APRIL 2018

**What is the biggest driver for growth and digital print adoption in multiple applications?**

70.00%
60.00%
50.00%
40.00%
30.00%
20.00%
10.00%
0.00%

■ Responses

Consumer change is demanding more personalised and unique experiences and this is they key driver

Digital printing technology is now so good that this is the key driver for growth

Print service providers are driving growth in digital printing

Digital print machinery manufacturers are the main sources of growth for digital printing

The creative industry is simply demanding more digital printing and this is the main source of growth

Consumers are driving this change in demand and this will continue to be the defining factor for growth for digital printing. The consumer is at the top of the apex – if consumers were not changing, then it is likely the print industry would not change either. There must be pull or the push factors (technological change) would not gain traction. There are plenty of examples throughout history where technological possibility has not aligned with consumer demand. But right now, both are meeting one another and change is happening quickly.

For digital print, on the one hand, in the 'functional' home/food retail shopping consumer behaviour is increasingly defined by speed, convenience, customisation and value. We shop more frequently for what we want when we want it. On the other hand, for more luxury related purchases, the experience is crucial. If one takes into consideration the capability that digital printing has to both personalise and create textured, sophisticated and unique environments, then the creative industry will increasingly want to know how to deploy print that can match this unstoppable mega trend. And that technology and process is digital printing.

Digital décor printing production is in a steep incline of growth right now. So it offers a significant opportunity for printing companies looking to reach into new markets and create new value. The reality is that ALL these sectors listed above provide a printer and designer with new opportunities and capability with which to exploit. The décor opportunity certainly seems to be grabbing plenty of attention. This is partly due to timing as the new possibilities are being realised now and this is coinciding with a sharp increase in demand both from the retail, leisure, work and home décor markets. The forces pulling demand play to the unique characteristics that digital printing technology can offer. For example, the demand for greater frequency of change. The impact that digital wall and floor coverings can achieve is significant and instrumental in creating an impact and enhancing an experience.  And this is simply not possible with analogue technologies.

Second to décor is packaging and similarly, this is a fast moving segment, which is closely defined by consumer behaviour. Digital print solutions for packaging campaigns are on the increase where they can arrest the attention of the consumer and distinguish a product that sits on a supermarket shelf, to encourage a sale.  We anticipate that this continues to grow and develop whether with EP or Inkjet.

The remaining two segments (POP and commercial print) are sizeable digital printing markets already and whilst the possibilities with digital printing are not as new, the gap between technical possibilities and the source of creativity remains large meaning that the opportunity is not fully exploited and growth potential still remains considerable.
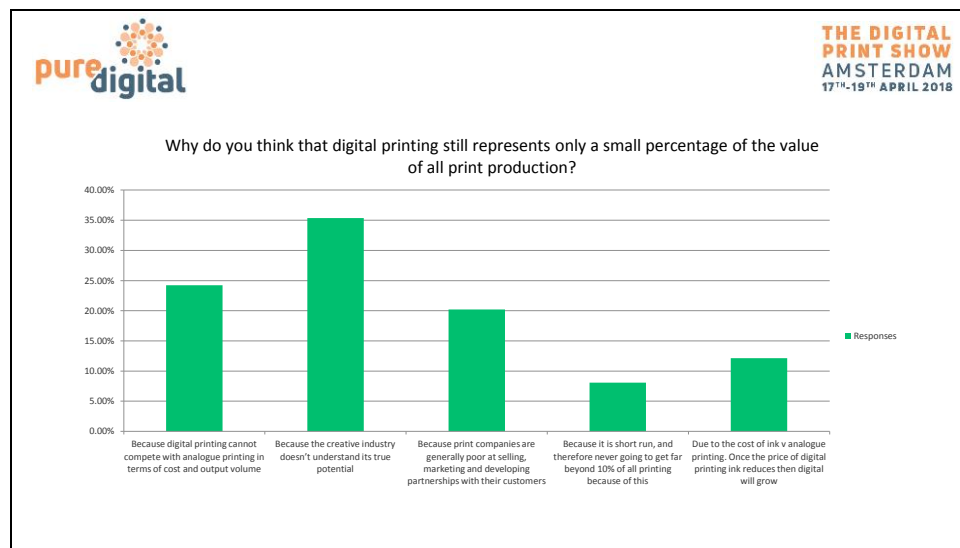
Despite all of the developmental and promotional work by some of the worlds leading digital print manufacturers, digital printing is viewed by many in the creative industry as having the same value as traditional analogue printing. This is a key problem, as it is not understood that it can perform a role that analogue cannot. As a result, printing is still considered a trade and not a media, and therefore not as relevant in the modern digital world when compared with other digital media.

Of course, this is incorrect. Digital printing enables a fast response, flexible production and new creative possibilities as well as customisation and personalisation. This misconception is a result of the huge divide between the printing and the creative industries. We believe print and the creative industries should be one and the same. So it is no surprise that the largest portion of respondents believe that the biggest barrier to growth is the fact that the creative industry does not understand the true potential of digital printing. Secondly, the perceived higher cost of digital printing seems an issue. When compared with analogue printing the price of ink may seem higher when you compare like for like in terms of volume production. But one must compare the entirety of digital production in terms of its unique value, as it is cost-efficient and arguably less wasteful than analogue printing as you simply print on demand and do not require stock for efficiency through the scale of print production.

The third response is quite telling –print companies are perceived to be poor at selling, marketing and developing strategic relationships with their customers. This is a key problem and one that will remain unless more are able to re-engineer how they lead their businesses to become modern marketing-led companies, instead of traditional print-based trade/manufacturing operations.
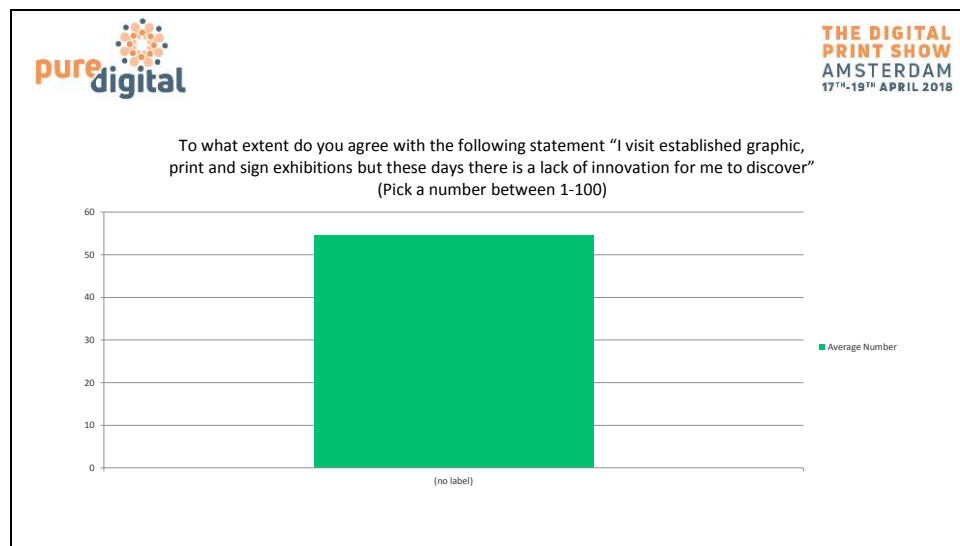
When asked to put a number on to what extent respondents agree with the statement above it is evident the majority of people concur that established events don't provide them with the access to insight and innovation necessary to create value and help them develop their businesses. Trade shows in established technology markets have value when the market is in a state of change due to disruptive technology or development. When the technology is not in a state of change, the frequency of purchase declines and the importance of a show declines with it.

One in two respondents agrees with the statement that existing print trade shows offer little or no value for visitors. In view of this, the concept of Pure Digital is to generate new connections, and bring people together who may not have met one another before, and in doing, creating new business opportunities. Established events, in mature markets, with only gentle innovation, attract fewer new business entrants. Marketplaces where new technological possibilities allied to consumer pull is where change is fastest and most marked.

We believe that in the future, niche events that give the attendee an opportunity to grow their business, learn new techniques or technologies make new connections or learn valuable new insight will become more important.
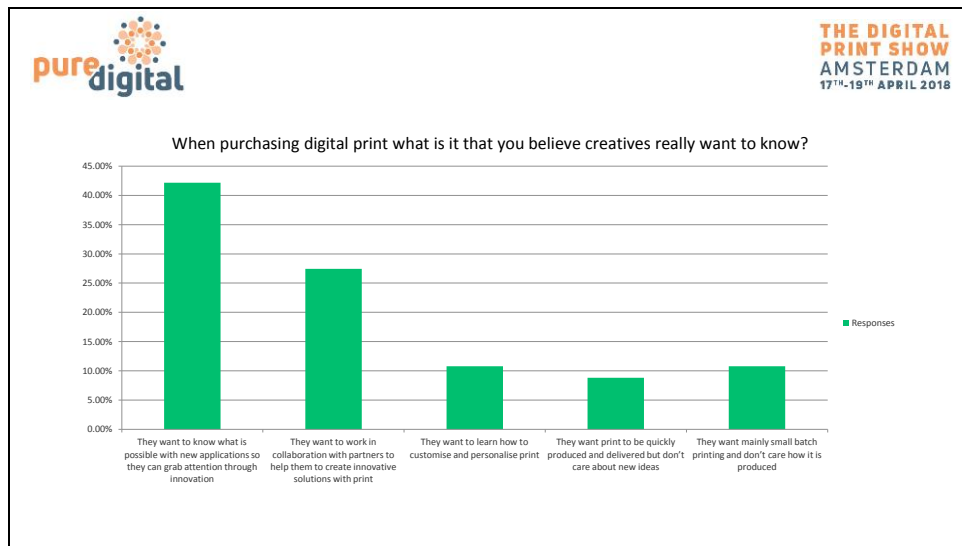
Designers need new ideas from their print companies. It should not be that surprising that grabbing attention is a key target as the world becomes increasingly distracted and brands, retailers and media compete for their own share of attention. To gain even a momentary competitive advantage could be enough to distinguish one brand from another in order to achieve a sale or for a campaign to be considered a success.

Secondly, designers realise just how important collaboration is to innovation. This is something we have heard independently from our own qualitative research. The design process is not an isolated process and benefits significantly from input by other creative people in the chain, including printers. This again runs counter to the traditional print industry's more transactional culture that does not provide strategic creative input to amplify the creative value of a campaign, whether this is décor, commercial print or packaging.
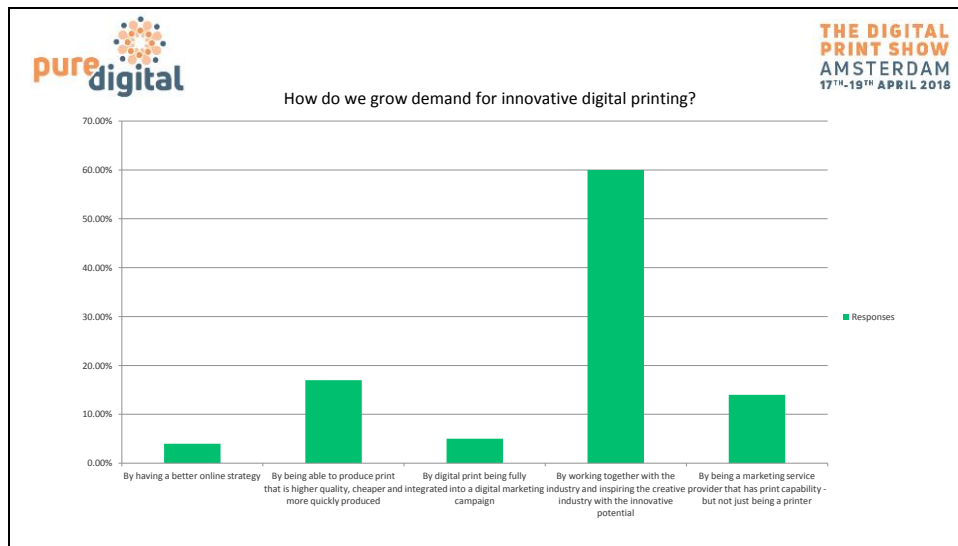
Collaboration is seen by a significant majority of respondents as the solution to successfully growing demand for innovative digital printing. For anything new, it is a crucial component that facilitates progress and growth. The awareness of the unique potential of digital printing is lower because up to now, the print supply chain has been hierarchical and focused more on competition and less on collaboration. As new digital printing business models continue to evolve and develop, the traditional print companies that resist change and collaboration will become outdated.

This is, for traditional print companies somewhat counter-intuitive. However, for a market sector such as digital printing which is in a rapid state of growth, collaboration is both sensible and effective way of building demand. With new possibilities, all elements of the print supply chain should work together to solve problems, by bridging gaps and inspiring customers.
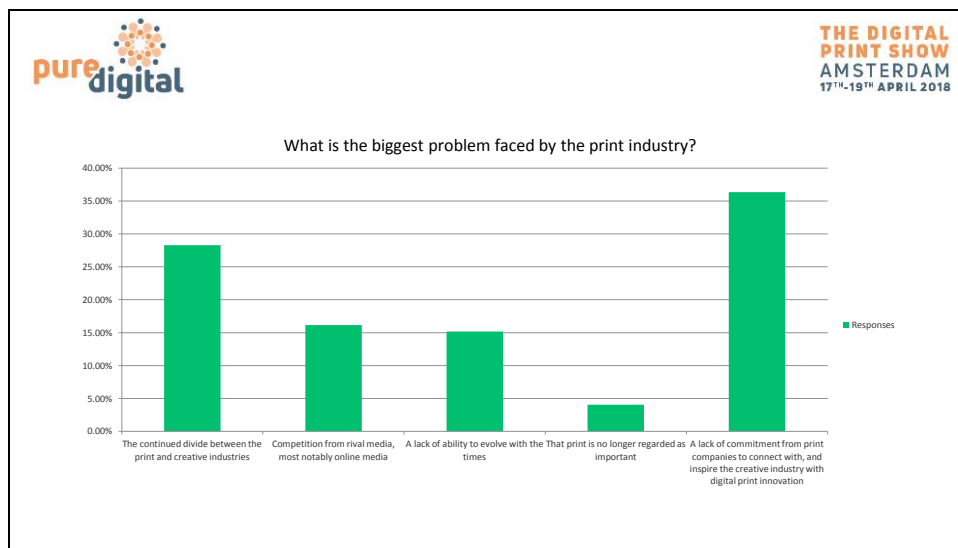
Since the formation of the print industry, the role of the printer has diminished over the generations into a subservient one within the media supply chain.  Initially, printing presses and publishing were one and the same. But as the commercial model became standardised, and publishing companies began to form and grow, and the role of publishing became superior to the role of the printer. Publishing became strategic and powerful and printing merely supported this.
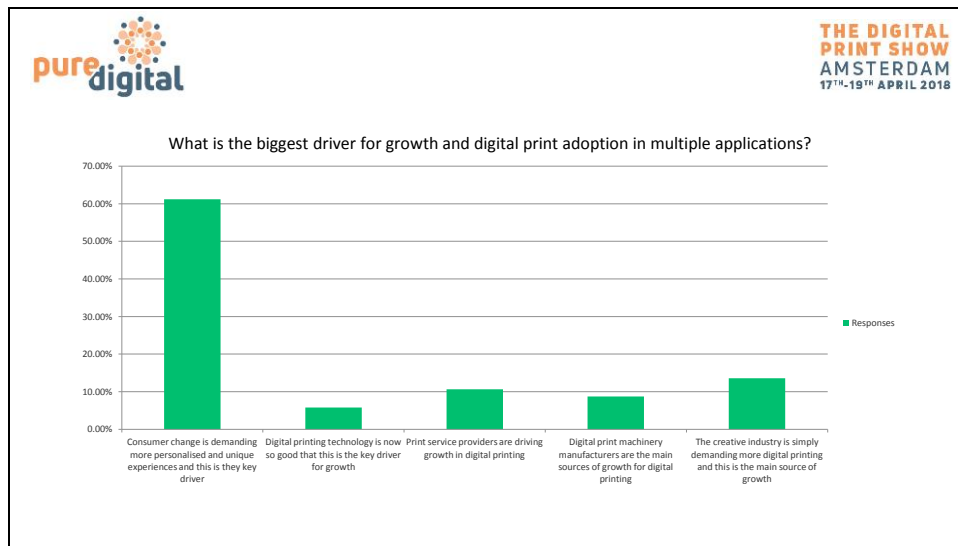
This division has over time been further underlined as analogue technology becomes so refined there is little or no improvement in production performance. Meanwhile, the online digital revolution begins to encourage a migration of attention away from traditional channels. Traditional printing, with newspapers, brochures and magazines, therefore, continues to contract. Print has to some extent become unfashionable, particularly where the rival digital media is able to respond more quickly, and then provide more tangible and easily measurable results.

There is a structural shift that has occurred towards traditional printing. Even in the context of décor and packaging, this tends to form a perception amongst people outside of the printing industry, that print is no longer important. That it is perhaps an old process that it is slow, functional, costly and frankly difficult. When in fact digital print is fast, flexible, responsive and relatively easy to operate.
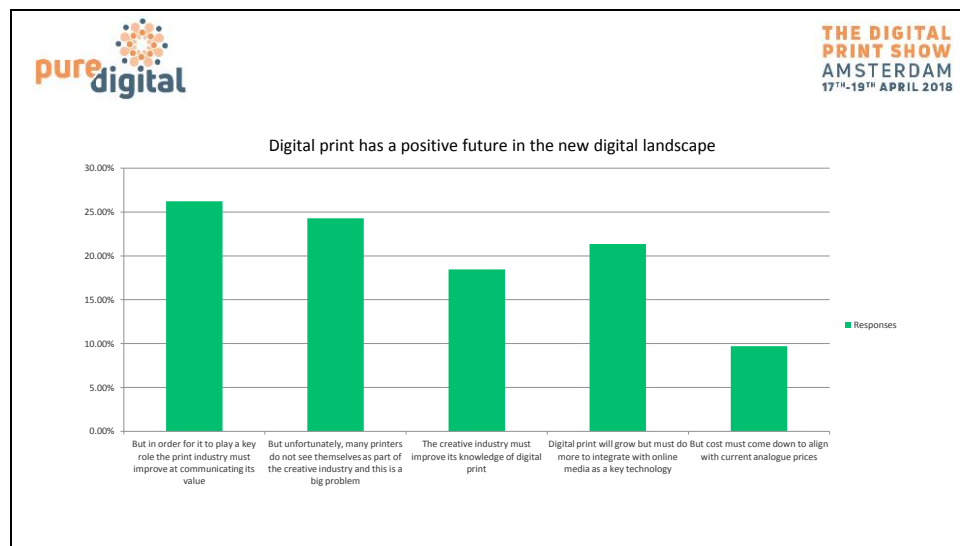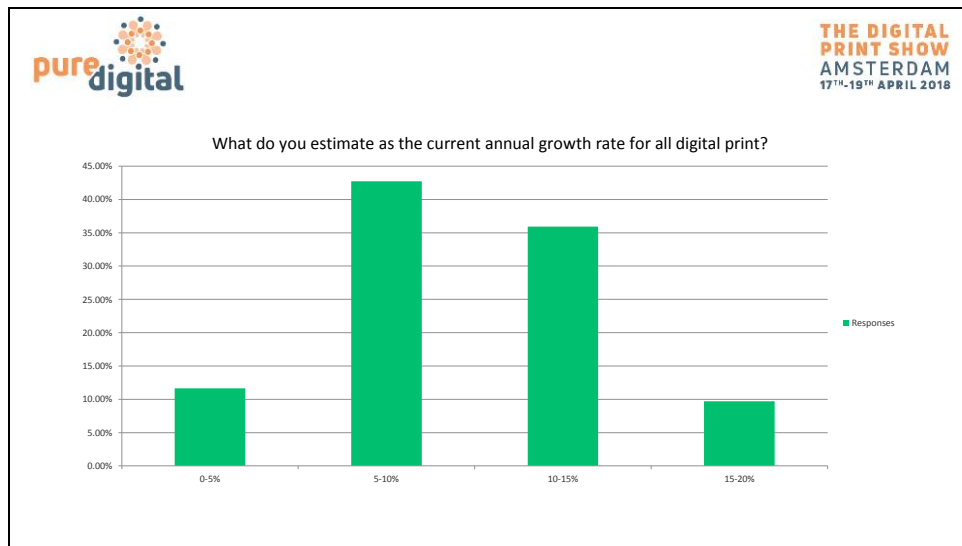
Digital printing is no longer so new that the quality of reproduction is constantly questioned or the cost of ink a barrier to use. Being able to produce small batches of printing is incredibly useful. But still the true creative value is not being used and this, according to our respondents in this questionnaire, is due to the fact that the industry is not communicating its true value to its customer base. In all forms of printing whether paper-based or industrial, digital printing is not merely a replacement technology. It adds performance advantages that cannot be matched by the analogue print technology.

Secondly, respondents believe that printers do not see themselves as part of the creative industry and this is a big problem – for sure the main theme throughout this report is that overwhelmingly printers must do more to communicate, collaborate and to be creative in order to help their customer base, and more importantly survive and thrive in the future. We have also noticed with commercial print applications and décor in particular, the growth of online models B to C and B to B – that empower consumers and customers to order products that are customised or personalised to their need is growing. This model cuts out print buyers, and also traditional printers to some extent, so a greater understanding of exploiting the online technology can provide a business is certainly important and to some extent vital going forward. Particularly as the printer's customers are very media and tech-savvy.

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A typically positive and bullish response to anticipated growth rates for digital printing throughout the industry.  This exceeds any other type of printing, it would do of course, not least because the base is still relatively small. Regardless of this, it also gives a confidence that the technology is capable of working alongside, and in some cases in isolation to meet the needs of the modern brand and retailer. Quality of reproduction is decreasing as an issue for print buyers, as technology improves and cost becomes more of a dominating issue. But when the creative industry better understands the economic model that digital works within, then cost will be removed as an issue as the compelling ability that digital printing has to meet the need for small batch production will outstrip any short-term cost gain that analogue can give, as its comparable inflexibility will be exposed.

Clearly, respondents believe the huge divide between the creative industry and the print industry is a key problem and barrier to growth. There are notable exceptions and examples of companies operating throughout the print spectrum, from commercial printing through to décor who buck this trend, but the fact remains the divide is as considerable now, as it was 10 years ago.

Collaboration has returned as a key agent of transformation, change and progress. People recognise in order to achieve the best results, this is rarely successful in isolation, and the companies and the people who collaborate will experience a greater level of success.

Printers must step up to become equal partners and consider themselves as being part of the creative industry or risk being left behind as another company is likely to take their place if they do not – the speed of change means that opportunity will present itself quickly - so making new connections is vital for growth – relying on old relationships is not enough to maintain a healthy business into the future.

It is also evident that current exhibitions and events available to the printing industry, certainly in the region covered by the Pure Digital Show which takes place in Amsterdam, are not necessarily providing the value to enable print companies, and designers to get what they need from digital printing.