



PRINTING INDUSTRY PERFORMANCE & INSIGHTS

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Providing regional printing association members
a printing industry outlook view and actionable knowledge.

Beyond The Press: A Roadmap to Enhanced Performance Through Non-Printing Products/Services

Insights from our Printing Industry Performance & Insights Survey

From October/November 2025 Survey

***Beyond the Press:
A Roadmap to Enhanced Performance
Through Non-Printing Products/Services***

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Introduction

Increasingly, printing companies are expanding beyond traditional print, offering new products and services that create growth opportunities. In our October 2025 “*Printing Industry Performance and Insights*” survey, we examined how printing companies are diversifying, what that means for business success, and key execution factors.

Here are the topics we cover:

- General knowledge from our survey (page 2)
- The connection between diversification and firm performance (page 10)
- Recommendations for deciding what non-printing products/services (NPPS) to add (page 18)
- Keys to executing the provision of NPPS (page 22)

- Additional NPPS insights from printing company leaders (page 23)

We share interesting printing leaders' thoughts (quotes) in multiple sections.

We appreciate the 14 regional printing associations that sponsor and support our research. We list those associations at the end of the report. And thank you to my three strategy professor colleagues who helped develop our survey and contributed to writing this report.

To save space and make our report clearer, we will use the acronym NPPS from here forward to refer to "non-printing products/services."

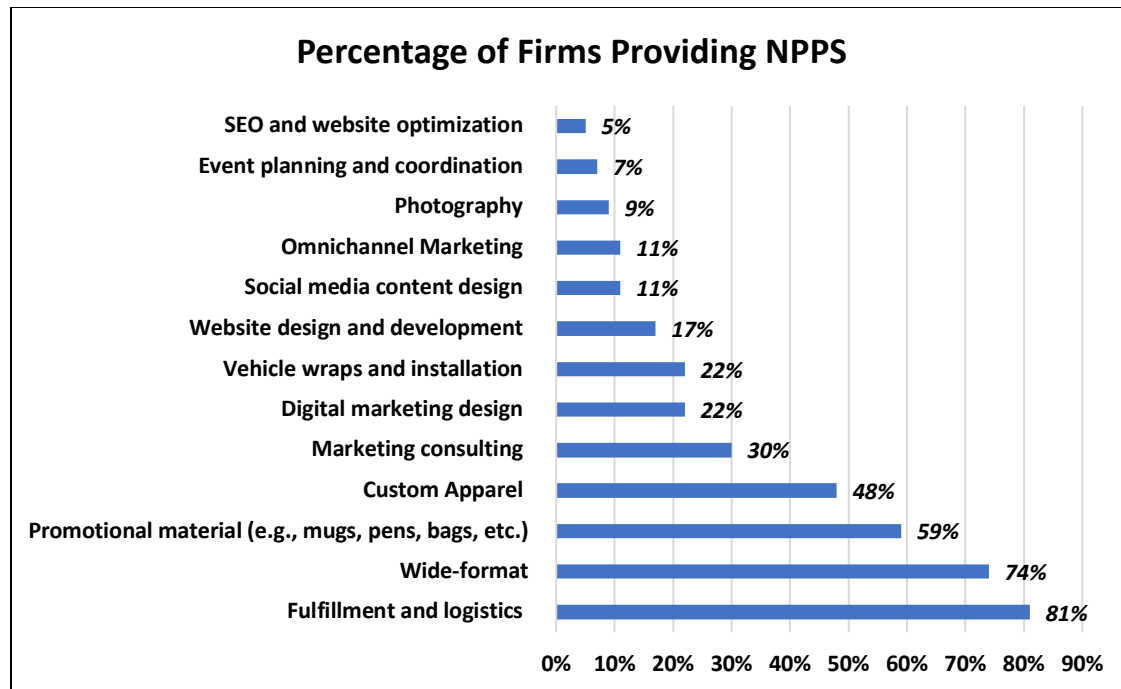
General Knowledge from our Survey

Specific NPPS Items

We provided a list of thirteen NPPS items and asked participants to identify which their company provided. Here are the items we included:

- Fulfillment and logistics
- Wide-format
- Marketing consulting
- Social media content design
- Photography
- Custom apparel
- Website design and development
- Promotional material (e.g., mugs, pens, bags, etc.)
- Digital marketing design
- SEO and website optimization
- Event planning and coordination
- Vehicle wraps and installation
- Omnichannel marketing

One hundred and two firms shared that they provide at least one NPPS. The chart below shows the percentage of the 102 firms that provide each NPPS:

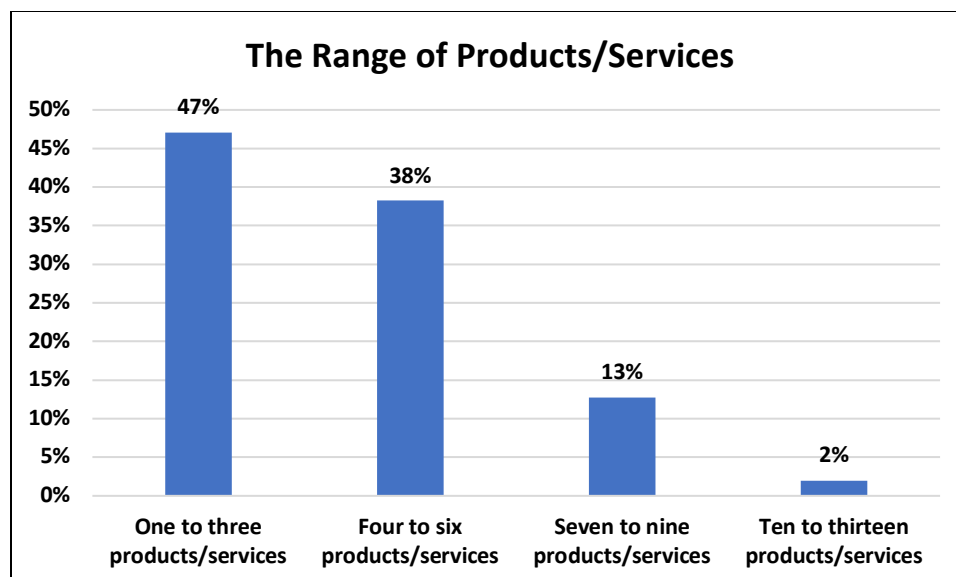


We noticed a couple of interesting things from these percentages. First, as we see many printing firms engaged in wide-format printing, we expected to see that product/service at the top. However, a few more firms in our sample provide fulfillment and logistics services than those that provide wide-format printing. From what we've heard, providing fulfillment and logistics services can make it challenging for customers to leave a printing company, thereby creating “customer stickiness.”

Seven of the thirteen NPPS items listed are intangible services (digital marketing design, website design and development, social media content design, omnichannel marketing, photography, event planning and coordination, and SEO and website optimization). Interestingly, these seven services fell in the bottom half of the “percentage of firms providing” numbers. This prompted us to wonder if providing non-printing “services” is a potential way to differentiate a printing firm from its competitors.

How Many of the Thirteen Items were Offered

The chart below shows the percentage of firms offering a range of different products or services. For instance, the first bar indicates that 47% of the 102 firms provide a range of between one and three of the thirteen products/services.



The chart suggests that fewer firms provide a higher number of NPPSs. This makes some sense. One can see potential challenges in offering several NPPSs.

What Other NPPS do Printing Firms Offer?

We asked, “Please share below any non-printing products/services your firm provides that are not listed in the previous question above (the thirteen NPPSs shown above).” Here is a list of what participants provided:

- *Creative services*
- *Laser engraving*
- *Composition*
- *Design services*
- *Kit-packing (Separate from fulfillment)*
- *Braille*
- *Kitting / dimensional direct mail*
- *Decoration*
- *Wholesale nationwide e-commerce*
- *Golf score card printing nationwide*
- *Mailing lists*
- *Graphic design*
- *Kitting, fulfillment, and logistics*
- *Installations*
- *Graphic design asset management services*

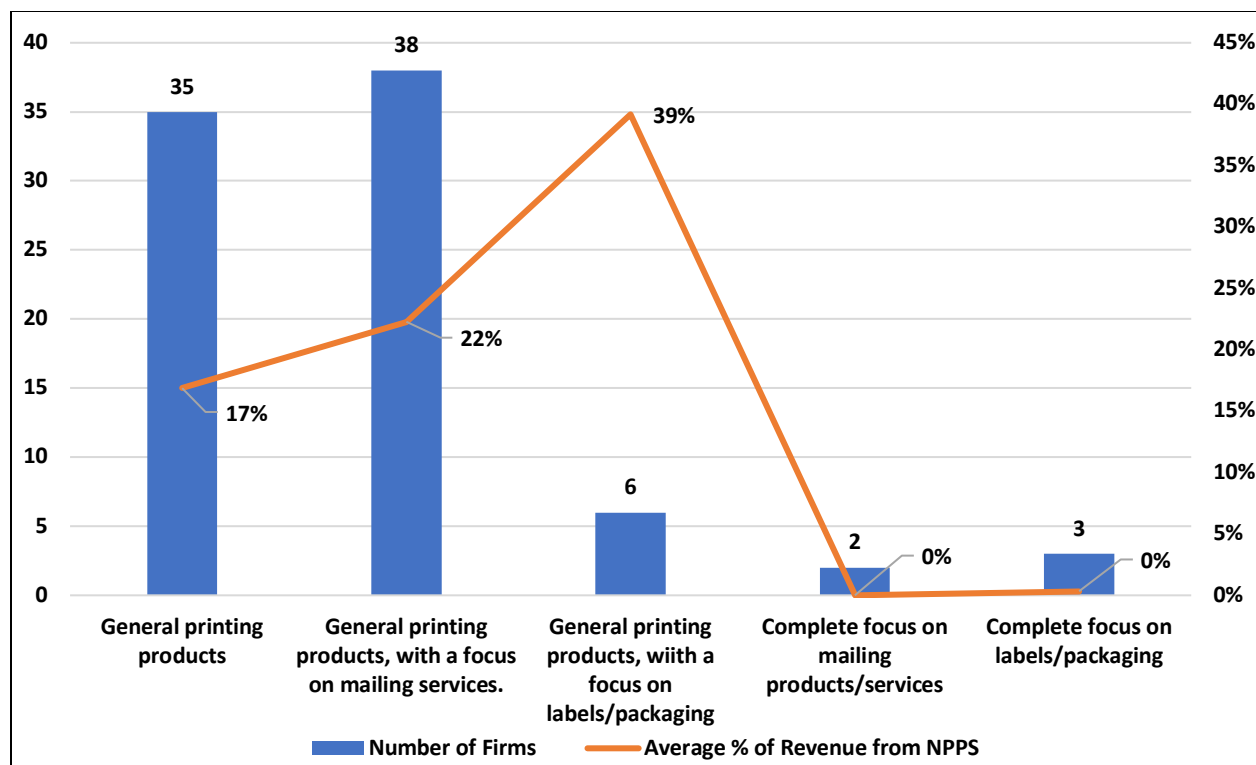
- *Exterior lighted and non-lighted signage*
- *Office supplies, furniture, copiers*
- *Pick-up and delivery*
- *Marketing portals*
- *Fulfillment and kitting, co-packing of customer products*
- *Direct to object "printing."*
- *We provide support for the construction and building of display boards for multi-home developers. Also provide medical kit[s] for clinical trials.*
- *Decor production and installation.*
- *OEM (original equipment manufacturer) industrial manufacturing*
- *Wallet/pass technology*
- *Portal creation, setup, and management*
- *Data security, data deployment, and integration*
- *Label design and FDA requirement proofing*
- *Data management set up for personalization*
- *Design*
- *Mail sorting*

That's quite a diverse list of NPPSs, which illustrates the variety of diversification in our industry.

What Percentage of Revenue Comes from NPPSs?

We asked, "Approximately, what percentage of your firm's revenue comes from non-printing products/services?" Eighty-three participants answered that question, and the average response was 20%.

We also asked questions to identify the type of printing company reflected in each response. The graph below illustrates five types of printing companies, which we also refer to as strategic groups or industry segments. The graph also displays the number of respondents in each strategic group (blue bar) and the average percentage of revenue from NPPSs for each strategic group (orange line).

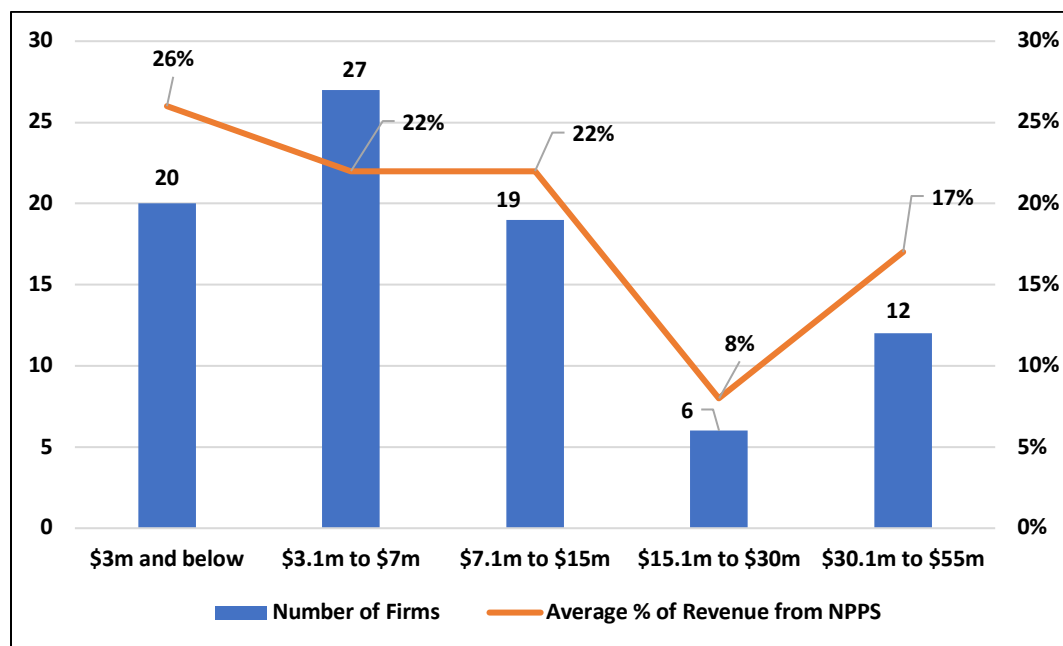


It *appears* that more generalized printing firms tend to generate more NPPS revenue than do more focused firms (those focused on a specific printing product, such as mailing or labels/packaging). You might say, “Ralph, but the number of responses from more focused printing firms is very low.” And I would respond, “Yes, that’s right!” However, more focused printing companies providing fewer NPPSs may have had less interest in our survey. If that’s the case, the low participation by more-focused printing companies may anecdotally support the premise that more-focused printing companies are generating less revenue from NPPS.

Given the low participation rate of firms specializing in specific printing products, we sought input from regional printing association leaders and company executives. We asked them, “Do firms that are more focused on print product segments, such as mailing or labels/packaging, tend to provide fewer NPPSs?” Generally, they said “Yes.”

The graph below shows the percentage of NPPS revenue in different firm revenue size groups. The blue bars show the number of firm participants per size group, and the orange line shows the percentage of revenue from NPPSs for each size group. The graph *suggests* that smaller printing companies tend to generate a

higher percentage of revenue from NPPS. This reminds me of a large printing company that added some NPPS, but they still had to focus on “feeding their beast” – their large plant with a lot of equipment.

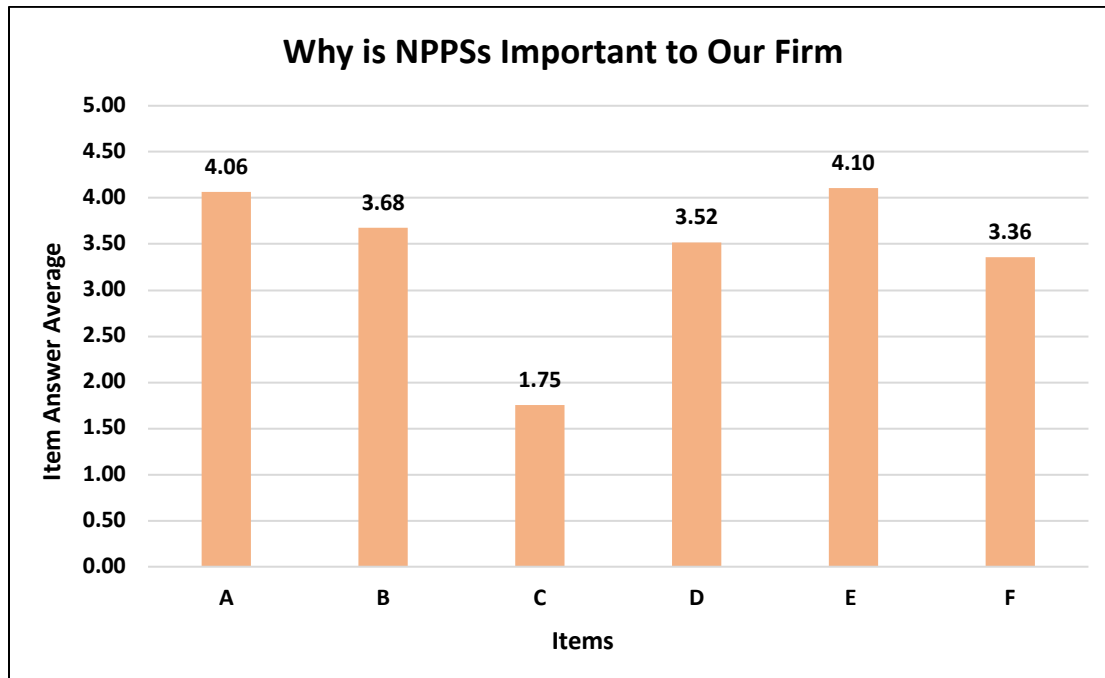


Why are NPPSs Important to Your Firm?

Seeking to understand why NPPSs are important to printing firms, we included the six items below and asked participants to respond using a one-to-five scale where 1 = Strongly disagree, 2 = Disagree somewhat, 3 = Neither agree nor disagree, 4 = Agree somewhat, and 5 = Strongly agree. Here are the items:

- (A) Providing non-printing products/services is essential to our firm's future success.
- (B) Providing non-printing products/services is essential to our firm's financial survival.
- (C) Desperation drove our decision to add non-printing products/services.
- (D) We add non-printing products/services to gain new customers.
- (E) Our non-printing products/services complement our printing products, making us a one-stop shop for our customers.
- (F) The declining demand for traditional printing makes non-printing products/services essential to our firm.

Seventy-five printing leaders responded to these questions, and the average responses are shown in the graph below. The letters at the bottom of the graph connect with the letters at the beginning of the statements just above.



The statement with the highest average (4.10) was E, "Our non-printing products/services complement our printing products, making us a one-stop shop for our customers," which points to the strategic value of NPPSs.

The statement with the second-highest average (4.06), very close to the highest average, was A, "Providing non-printing products/services is essential to our firm's future success." This also suggests the potential strategic value of incorporating NPPSs.

The statement with the third-highest average (3.68) was B, "Providing non-printing products/services is essential to our firm's financial survival," and the statement with the fourth-highest average (3.52) was D, "We add non-printing products/services to gain new customers," which points to the performance value of providing NPPSs.

The two lowest averages F, "The declining demand for traditional printing makes non-printing products/services essential to our firm" at 3.36, and C, "Desperation drove our decision to add non-printing products/services" at 1.75, frame the

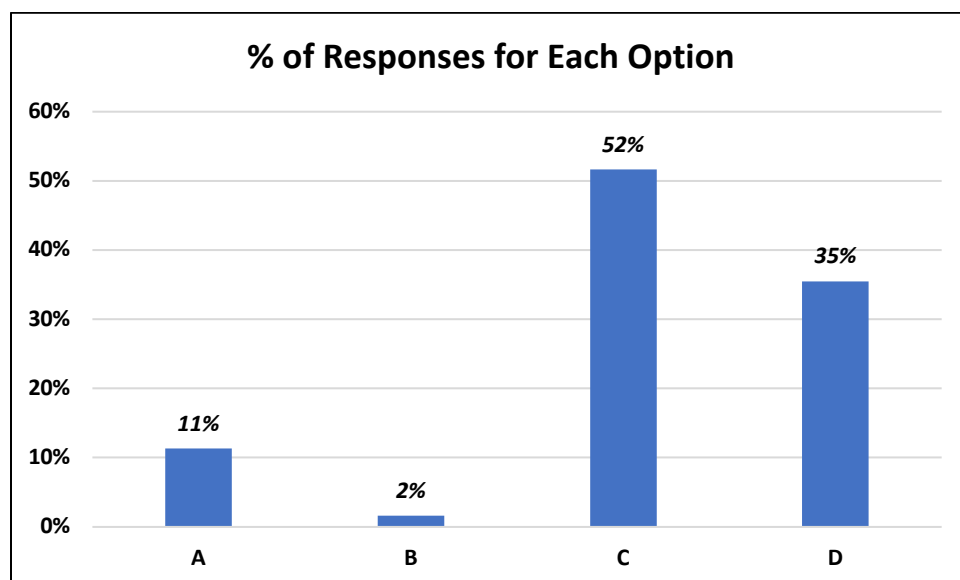
challenges our industry faces a bit. However, the four statements with the highest averages are positive views of why NPPSs are important.

Mode of Entry:

We asked this question: “What was your company's 'mode of entry' to start providing non-printing products/services?” Respondents had the following four answer options:

- (A) Acquire a company that produces or provides the product/service.
- (B) Merge with a company that produces or provides the product/service.
- (C) Outsource the product/service.
- (D) Produce the product/service in-house

Sixty-two participants answered this question. The graph below shows the percentage of answers for each of the four options above.



“Outsource the product/service” drew the highest percentage of responses, followed by “produce the product/service in-house.”

We also ask respondents to share thoughts about their NPPS entry mode, and here are some of the points they shared:

- All the above (all four response options above).
- Once proven, we bring it in-house.
- Promo & apparel outsourced. Wide Format is in-house.

- Purchased a company that was diversified since 1972.

Strategically determining “how” you will produce or provide NPPS is vital. Typically, there are multiple options. You might strategically plan to transition through options, such as outsourcing and then bringing that production in-house when revenue reaches a certain level.

Actionable Points:

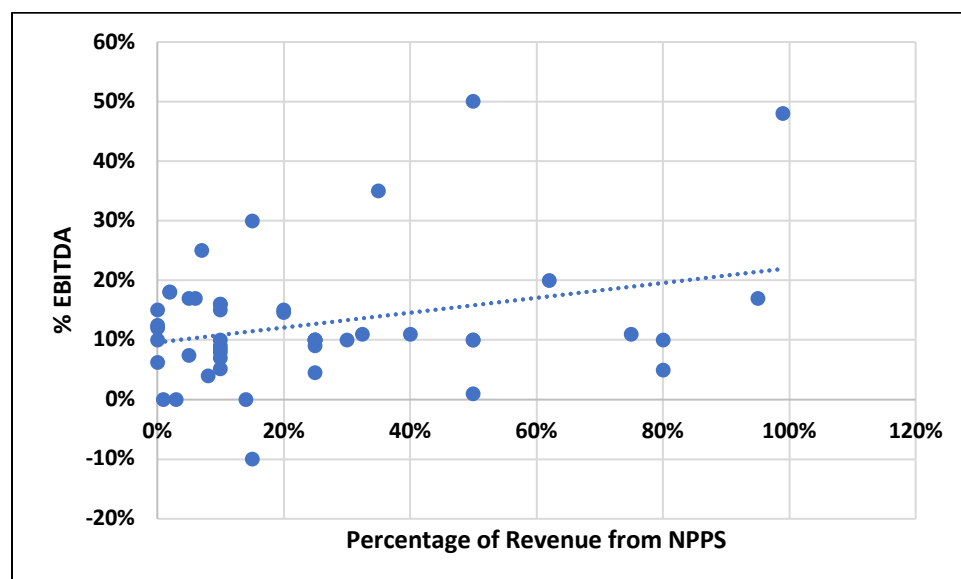
- Printing companies are adding a vast array of NPPSs. If you are considering diversifying, don’t limit your options to a few possibilities. Develop an open whiteboard of options.
- Keep in mind that providing too many additional NPPSs may pose a challenge.
- If you are a large printing company with a significant amount of fixed assets (buildings, printing equipment), strategically consider how you will generate revenue from NPPS, while generating enough printing revenue to leverage your building and printing equipment.
- From a thinking perspective, you might ponder why having, or adding, NPPSs is important to your firm. That might help you frame your vision and objectives.
- Deciding how you will produce NPPS is important. Consider multiple options and prepare a budget for each option. If you see a potential transition, plan those steps.

The Connection Between Diversifying and Firm Performance

We explored whether there was a relationship between the amount of NPPS provided and firm performance. In other words, does providing more NPPS enhance performance?

Forty-eight firm leaders provided their firm’s NPPS as a percentage of total revenue and their firm’s EBITDA as a percentage of total revenue. In transparency, three other firm leaders shared those percentages, but as their EBITDA was between 70% and 90%, we removed those entries as outliers or

anomalies. The chart below illustrates the relationship between the percentage of NPPS revenue and the EBITDA percentage for the remaining entries.

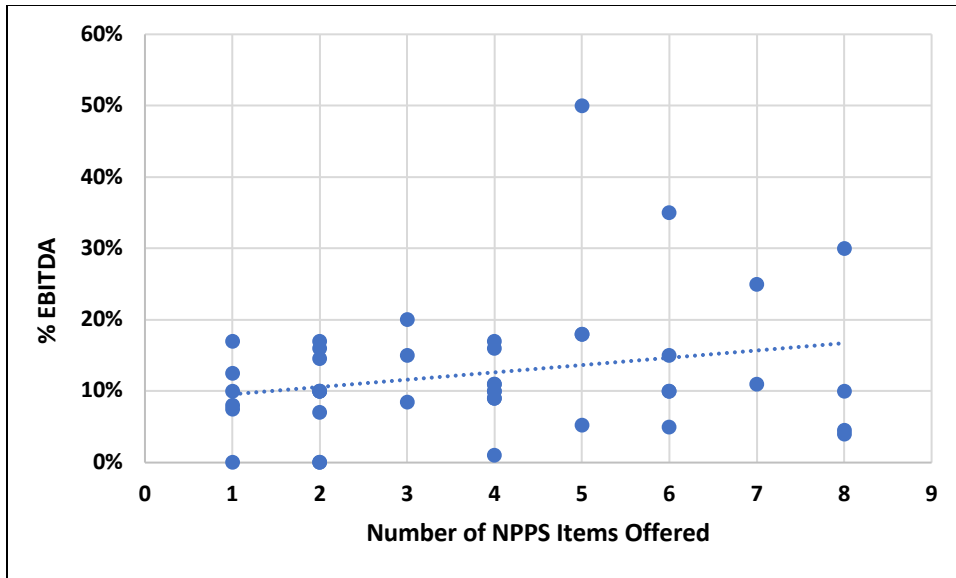


The trendline in the chart above *suggests*¹ a positive relationship between the percentage of revenue generated by NPPS and EBITDA as a percentage of revenue. This *suggests* that the profitability of printing firms grows as the percentage of their NPPS revenue increases.

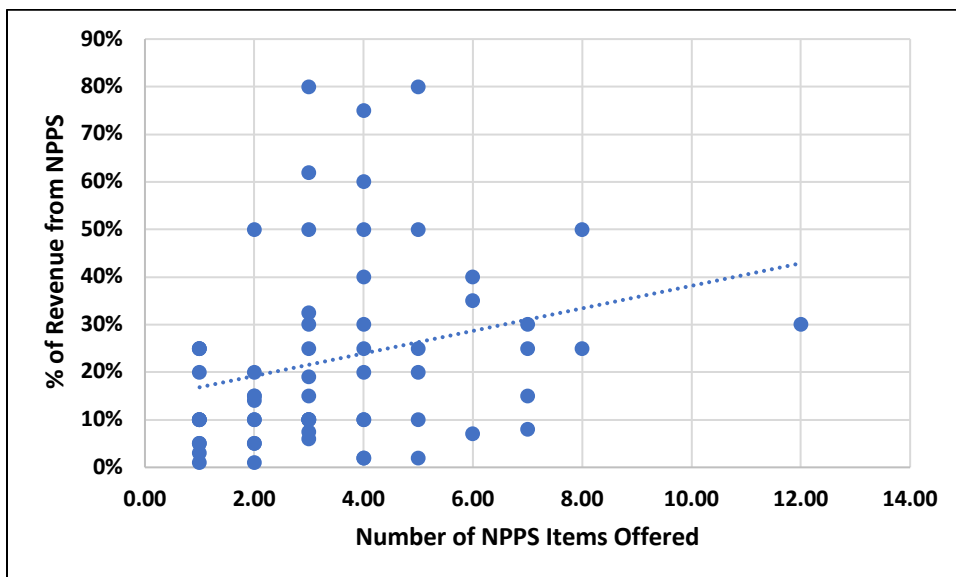
We shared this result with a printing company leader whose firm generates a significant amount of revenue from NPPS. He proposed that recent printing cost increases may have enhanced this relationship – profit from printing products is currently challenged by current tariff cost increases. This may have enhanced the positive relationship suggested in the chart above, where increased NPPS revenue may lead to greater profitability.

We also examined the relationship between the number of NPPSs offered and the EBITDA percentage. Forty-two firm leaders provided those data points. The positive trendline in the graph below *suggests* a positive relationship between the number of NPPSs offered and profitability – offering more NPPS items may lead to increased profit.

¹ As our sample sizes are small and we apply descriptive, not high-level, statistics, one should view our observations as merely suggestive results.



This surprised us a bit. Given the complexity of offering more NPPS items, we didn't expect this positive relationship. To examine this further, we analyzed the relationship between offering more NPPS items and the percentage of NPPS revenue. Sixty-three firm leaders provided that information, and the relationships are illustrated in the graph below, *suggesting* a positive relationship between the number of NPPS items offered and the percentage of NPPS revenue – offering more NPPS items may generate more NPPS revenue.



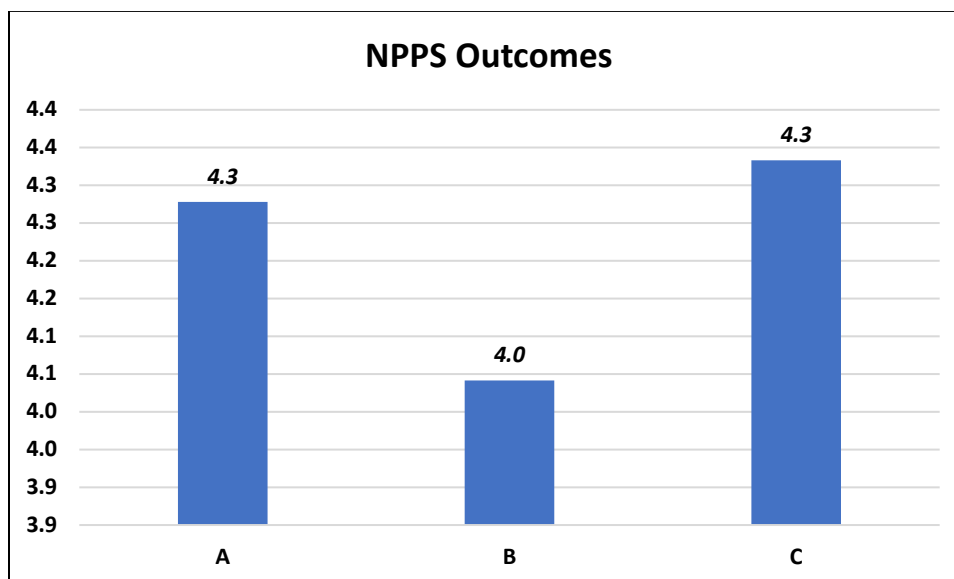
What drives the potential enhanced profitability illustrated in the graphs above? A higher percentage of revenue from NPPS? Offering more NPPS items? Or a combination of both? We don't know. Other facets may prompt the potential

positive NPPS/profitability relationship, such as the following: strong management or leadership may drive firms to NPPS, which creates a profit-making environment; firms with more resources may help in adding NPPS, and stronger resources may lead to profitability; or customer pull leads to adding NPPS, and those strong customer relationships may enhance profitability. All that said, it appears that offering more NPPS – more items or a larger proportion of revenue – may enhance profitability.

Related to how providing NPPSs affects firm performance, we included the three outcome items below and asked participants to respond using a one-to-five scale, where 1 = Strongly disagree, 2 = Disagree somewhat, 3 = Neither agree nor disagree, 4 = Agree somewhat, and 5 = Strongly agree. Here are the items:

- (A) Providing non-printing products/services generates more revenue for our company.
- (B) Providing non-printing products/services generates more profit for our company.
- (C) Providing non-printing products/services increases our customers' commitment to our company (less customer turnover)?

Seventy-two printing leaders responded to these questions, and the average responses are shown in the graph below. The letters at the bottom of the graph connect with the letters at the beginning of the statements just above.



These numbers *suggest* that effectively adding NPPS may help grow revenue, enhance profitability, and reduce customer turnover.

We included in our survey the following statement: “You might share the benefits your firm experienced from adding non-printing products/services?” One can see a connection between providing NPPS and enhanced firm performance in the interesting responses below.

- *“Profit increased, and we got very sticky with our customer base. Provided growth with existing customers and prospects that are looking for more productive ways to help them.”*
- *“It adds more value to the firm.”*
- *“They get hooked on your crack, making it harder for them to leave you.”*
- *“We are able to cross-sell new clients other products we can offer for their organization.”*
- *“Being more of a ‘one-stop shop’ for customers.”*
- *“New revenue streams. New clients who may not have ordered print in the past.”*
- *“More ‘stickiness’ with clients.”*
- *“Added business from other clients.”*
- *“New clients. New income streams.”*
- *“Increased profitability, revenue, and renewed energy from the team.”*
- *“Having a company that generates revenue from three distinct sources: commercial print, advertising through a weekly publication, and direct mail has allowed the company to weather the ever-changing financial conditions impacting the commercial printing industry. Both advertising and direct mail have a high value added, which is critical when general commercial printing falls off. We have been able to maintain a stable labor force and meet our financial obligations in challenging times.”*
- *“We are better able to handle the ups and downs of the printing industry.”*
- *“Securing customer loyalty.”*
- *“Sales growth.”*
- *“Our clients’ top mind awareness of our complete offering gives them one place to go, and they have confidence that we will protect their brand and give the best price we can.”*

- *"All-in-one provider to our clients."*
- *"While similar companies closed or sold, we grew by having a diverse product line."*
- *"Broader customer base, increased profile, opportunities for additional services that were previously obtained elsewhere."*
- *"Increased revenue!"*
- *"Business growth, positive perception within the industry and customers."*
- *"It is like the frosting on the cake. It isn't necessary for our survival, but it makes the customer feel thought of."*
- *"Higher margins in non-print areas bolster conventional numbers when lagging."*
- *"Adding mailing services, fulfillment/warehousing, and wide format has enabled us to grow and experience higher profit margins. We can also target a larger customer base and experience more customer retention."*
- *"New clients and the opportunity to expand our other printing capabilities to these clients."*
- *"Our clients who trust us were looking for a similar option for these items - now they easily transition the orders over."*
- *"Wide format is the new 'business card' for us. We often get new customers because they need signage or event material."*
- *"Additional revenue streams with little or no additional overhead costs other than labor. Establish ourselves as a partner, not just a supplier or vendor."*
- *"Increased print volumes."*
- *"Extra sticky, higher levels of pipeline success."*
- *"Profitability and the ability to serve clients."*
- *"We were able to service the clients we already had. One-stop shopping is what our customers love."*
- *"Significant one-stop shopping benefits to our customers."*
- *"More complete list of services for customers."*
- *"We are now considered a full turnkey solution for a printed label/package."*

We also included in our survey the following: “You might explain how providing non-printing products/services helps your company provide more value to its printing customers or enhances relationships with printing customers.” Here are some of the responses, which also suggest that NPPSs may have a positive effect on firm performance.

- *“We want a relationship with a client in which the client calls us first to help with a project, even if it is outside our daily business model. This opens up opportunities for new work and offerings.”*
- *“It helps in keeping the environment healthy.”*
- *“It helps products increase shelf appearance.”*
- *“When you offer other things, typically, you get more opportunities.”*
- *“Cross-sell opportunities, because we do more for them, they come to us with ideas and opportunities we might not otherwise get a shot at.”*
- *“It allows us to be a one-stop shop. They can purchase more from a trusted vendor.”*
- *“The fulfillment on-site is a time-saver and an added bonus for the customer.”*
- *“More complete client relationship.”*
- *“Deeper ties.”*
- *“One-stop shopping with a trusted partner.”*
- *“Complimentary products/services help better serve customers' larger needs for marketing and branding.”*
- *“Producing weekly display advertising that is distributed by direct mail and is well-received by all readers adds value to our product. Feedback from advertisers suggests that their businesses do better when they advertise. Some advertisers have to stop advertising because their backlog gets too heavy. It isn't just about providing the service, but also about teaching customers how to best utilize the combination of print, direct mail, and advertising. We can demonstrate to customers how planning will actually enhance their mailing schedule.”*
- *“Customers have one place to call/email for services. Simplify their life.”*
- *“Offering additional products and services creates a lot more stickiness with our clients and makes it difficult for them to want to leave or shop just for*

price. As we tell the client, 'We are your one throat to choke for all your branding needs.'"

- *"This allows us to be a one-stop shop for a variety of needs. Many will stay with us for convenience's sake."*
- *"We have become a one-stop shop, customers can depend on our high quality across all products we offer, and easy communication."*
- *"We are a growing company demonstrating our commitment to our customers' needs."*
- *"Consistent branding. Keeping it all together. Trust."*
- *"One point of contact for many products and services."*
- *"More profitable."*
- *"A lot of the non-printing services have driven print sales, because we can offer a more turn-key solution to most situations."*
- *"We provide magazine printing to many newspaper clients. Adding wide-format printing has opened up opportunities for banners and signage that they were previously buying elsewhere for their 'Best of' campaigns."*
- *"Like any relationship, the more we can help with the deeper the tie. They are just one more tool."*
- *"Wide format is an essential part of the print mix, and offering this service in-house rounds out our services."*
- *Establish ourselves as a partner, not just a supplier or vendor*
- *"Our customers absolutely love being able to come to us for unusual ideas to promote themselves."*

So, how can NPPS enhance EBITDA?

When discussing this report with a regional printing association leader, he suggested sharing "how" providing NPPS could enhance profitability. Here are some thoughts:

- More customer stickiness from NPPS might reduce revenue dips and open the door for higher prices.
- NPPS could prompt scaling, more revenue from fixed assets, such as buildings.
- NPPS may produce higher value-added and profit margins than printed materials.

- NPPS may help soften the potential impact of the challenges our industry faces.
- NPPS may open the door to new customers, resulting in increased revenue.

Actionable Points:

- From the points above, adding NPPSs is more than merely a product or services decision. Adding NPPSs is a strategic move, prompting printing firm leaders to consider how it might enhance their company's value proposition, improve customer retention, and attract new customers. Strategically plan the NPPSs additions.
- If your firm has added a significant proportion of NPPSs, but your EBITDA has not increased, you might step back and ask these questions: Why has our EBITDA not increased with the addition of NPPSs? And if that's the case, what do we need to change?
- Yes, it appears that NPPSs can enhance printing company profitability. However, effectively deciding what to offer and effectively managing the offering of NPPSs is vital. This leads us to our next sections.

Keys to Deciding What NPPS to Add

As shown in the first section above, printing companies are adding a wide variety of NPPS. So, deciding what NPPS to add is vital. Adding the wrong product or service could prompt potential negative outcomes, such as the following:²

- Wasted investment. Both tangible financial assets (inventory or equipment) and intangible items (team training, marketing efforts, and others).
- Challenged profits and cash flow.
- Dilution of focus on the business's core products and services with any benefits.
- Misalignment with target customers.
- Brand confusion... Who is that company?

² AI prompted some of the negative outcomes and other points we share in this section.

So, what is a “wrong-added” product or service? It's one that does not enhance the company's connection with key or target customers and does not enhance firm performance.

A Customer-Centric Approach

Prompted by academic research on small business diversification, we included questions in our survey about a “customer-centric” approach. A customer-centric approach focuses on meeting customer needs and preferences when making strategic decisions. Proactively seeking customer needs, preferences, and desires is key to a customer-centric approach. To gauge printing company leaders' application of a customer-centric approach, we provided the following statements, and participants responded on a one-to-five scale, where 1 = Strongly disagree, 2 = Disagree somewhat, 3 = Neither agree nor disagree, 4 = Agree somewhat, and 5 = Strongly agree.

- We add non-printing products/services from a desire to satisfy customer needs better.
- We base our non-printing product/service decisions on customer input.
- We meet with customers often to discuss their needs.
- Customer needs drive our non-printing product/service decisions.

From 67 participants, the average response for each question was slightly over 4.0 (agree somewhat). The average participant response for these four questions combined was 4.2, indicating a response close to “agree somewhat.” So, there were no significant differences in the individual question response averages. This suggests that most of our respondents engage with customers, seeking to gather their input and learn how to address their needs. Given these consistent responses, we were unable to see a positive or negative trendline between these answers and EBITDA or the NPPS as a percentage of revenue.

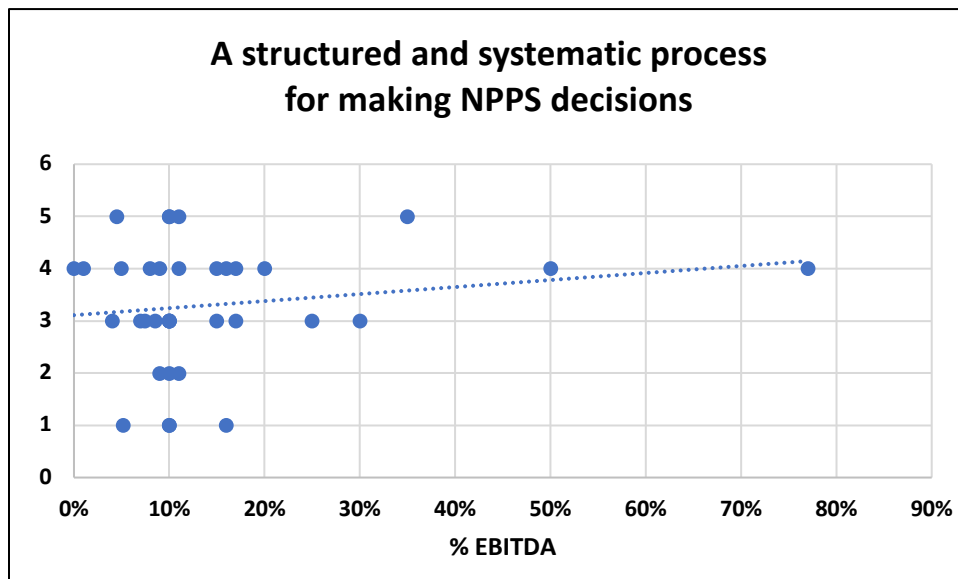
A Structured and Systematic Process for Making NPPS Decisions:

As with customer-centric above, a review of academic diversification research prompted us to examine the use of a structured and systematic approach in making NPPS decisions. We asked in our survey this hideously long question:

“A structured and systematic process for making non-printing products/services decisions includes items such as gathering customer input, evaluating market opportunities, assessing needed resources, aligning with the firm's mission/vision, and involving a team in decision-making. We apply a structured and systematic process when making decisions about non-printing products/services.”

Participants responded using a one-to-five scale, where 1 = Strongly disagree, 2 = Disagree somewhat, 3 = Neither agree nor disagree, 4 = Agree somewhat, and 5 = Strongly agree.

Thirty-six participants, with a revenue range from 5% to 80% from NPPS, shared their EBITDA percentages and are shown in the graph below. The trend line *suggests* a positive relationship between applying a structured and systematic process in making NPPS decisions and EBITDA. You might review the items included in the question we applied to assess the application of a structured and systematic process. Are those THE items you should always apply... NO! But they may prompt thoughts about how to apply a structured and systematic process in making NPPS decisions.



Here are examples of a good and a bad approach to using a structured and systematic process for making equipment decisions. In the first printing company I led, we were considering adding a four-unit sheetfed press. I reviewed every job we had produced in the previous year and determined what portion of our

previous work fit the potential new press better than what we currently had on the floor. I calculated the hours our current work would apply to the new press, considered work from growing customers, and built a budget. I also sought insights from customers and our management team. Interestingly, the analysis directed us from a four-unit press idea to purchasing a two-unit press. I say “interestingly,” but “surprisingly” is a better description. Using a structured and systematic process, we made the RIGHT decision.

However, a few years later, I had the idea of adding a web press. Where did this idea come from? My hip pocket! Did I analyze that decision as I did with the sheetfed press decision above? NO! The only thing I explored was, “Could we make the payments?” We moved forward and purchased the web press. As I type this, I wonder if “hubris” led to my lack of a structured and systematic decision-making process in deciding to purchase a web press. *Luckily*, our entering the web printing market prompted a successful merger with another printing company. Are these NPPS examples? No! But they reinforce the importance of applying a structured and systematic approach in strategic decision making.

Actionable Points:

- Proactively seeking customers’ input is valuable, both when considering NPPS and other strategic decisions.
- We hear of great benefits from company leaders visiting, connecting, and seeking input from customers they don’t have regular contact with, such as an account one of the firm’s salespeople handles day-to-day.
- Set goals and develop a plan. How many customers do you want to visit and seek output from each month? Then set a plan... visit these customers this month and these customers next month. However, don’t let your plan limit your leveraging opportunities that surface. For instance, a positive or negative customer-company experience may open the door to visiting a customer and seeking their input.
- You’ve heard of the “80-20 rule” – 80% of revenue tends to come from 20% of a firm’s customers. Firm leaders typically seek input from high-revenue customers. However, they might also seek input from lower-revenue customers. Connecting with lower-revenue customers may provide good

insights and potentially draw them into the upper tier of a company's customer revenue list.

- The high response average for our customer-centric question surprised us a bit. Most of our respondents connect with customers and seek input. If that indicates a trend in our industry, and if you are not connecting with customers to seek input, that may place your firm at a competitive disadvantage.
- We have shared with printing company leaders the need to have someone on staff assigned to continuously seek and identify new prospects. Company leaders may share ideas with prospects and seek their input.
- In our customer-centric discussion, we've pointed to "sharing ideas with customers and seeking input." That's important. But also, ask open-ended questions and listen. Those questions to customers or prospects might include... "What challenges are you facing now?" "How can we help you?"
- If a discussion with a customer or prospect prompts a decision or action, you might share that decision or action with the customer or prospect.
- Consider following up with a *printed* "Thank You" card.
- Apply a structured and systematic approach when making NPPS and other important decisions... not like Ralph did in his web press decision.

Keys to Executing the Provision of NPPS

We saw in academic research the value of strategic planning in small business diversification. To examine the relevance of strategic planning tools when printing firms diversify into NPPS, we included in our survey the four items below and asked participants to respond using a one-to-five scale, where 1 = Strongly disagree, 2 = Disagree somewhat, 3 = Neither agree nor disagree, 4 = Agree somewhat, and 5 = Strongly agree. Here are the items:

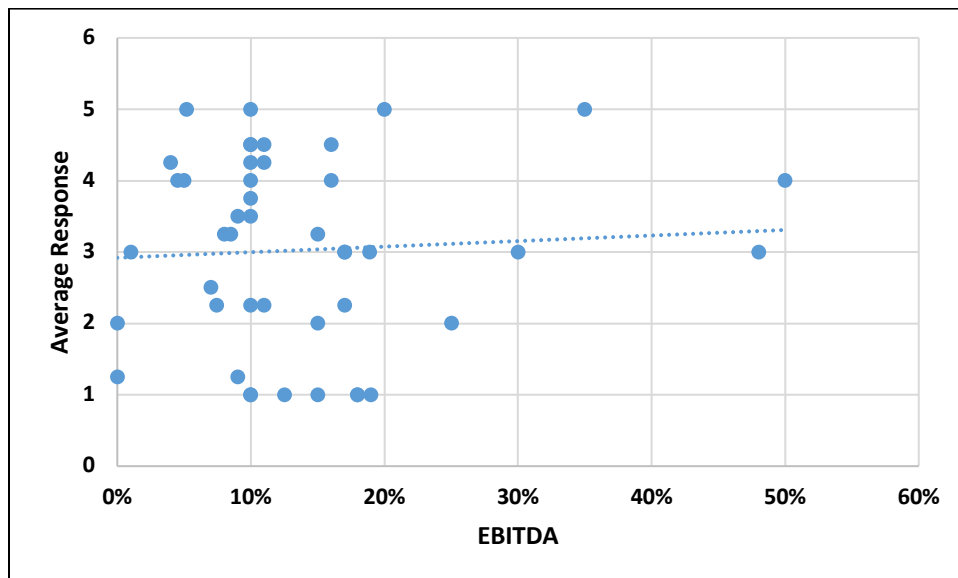
- We set goals for our non-printing products/services.
- We budget our non-printing products/services' expected costs and revenue.
- We state and share a mission for our non-printing products/services (e.g., target market, the value our firm provides).

- We have KPIs (key performance indicators) for our non-printing products/services that we monitor.

Seventy-five respondents answered those four items. The average response for the four statements above was close to 3.0... “Neither agree nor disagree.” When reviewing the responses, it appears that each participant answered all form items similarly. If they applied one of the strategic planning tools, they applied all of them. If they did not apply one of the strategic planning tools, they did not apply any of them.

Therefore, we decided to compare the participants' average responses to the four items above with EBITDA. Forty-five folks answered the four items above (we deleted a couple of responses with EBITDA over 50%). The graph below *suggests* a positive relationship between the application of strategic planning tools when providing NPPS and EBITDA. Suggesting that applying strategic planning tools (having and sharing a NPPS strategic mission, budgeting NPPS costs and revenue, setting NPPS goals, and having and monitoring NPPS key performance indicators) may enhance the profitability of providing NPPS.

Take this from the four strategy professors that authored this report, “That makes sense!”



Actionable Points:

- Determine a strategic mission for your firm's NPPS. Who is your firm's target NPPS market? What value(s) does your firm provide for your NPPS target?
- Strategically analyze the relationship between potential NPPS revenue and cost... continuously. Compare your firm's NPPS performance to your budget and make needed adjustments.
- From an operational perspective, set NPPS goals and KPIs and continue to monitor them and make needed adjustments.

Additional NPPS Insights from Printing Company Leaders

We provided printing company leaders with the opportunity to share their thoughts on NPPS in multiple open-ended questions. We applied some of those responses to the topics above. Here are a few more. They are worth a scan.

Item: "You might share what prompted your firm to add non-printing products/services."

- *"We see opportunities to grow with prospects and customers with non-print products, and it separates us from our competition."*
- *"Customer needs/wants."*
- *"Clients asking for services such as vehicle graphic installation."*
- *"All of my customers buy their printing from China at 1/10th the price."*
- *"Diversification is a necessity in today's market. It gives us a competitive advantage. Brings in new customers who we can now sell print to."*
- *"Customer needs."*
- *"We don't sell print and mail. We sell Grow Your Business. Non-print services give us a better toolbox to help our clients grow. If all you have is a hammer..."*
- *"Answering customer needs."*
- *"Client demand."*
- *"Diversification in complementary products/services."*
- *"53 years ago, a local grocer did not want to handle advertising in his weekly sales flyer. He approached the printers of his flyer and asked if they would take over the printing and selling of advertising as long as his net*

cost remained the same as when he was selling the advertising. And here we are decades later."

- *"We are a legacy office supply and printing company."*
- *"Compete with the flood of cheap China and India printing."*
- *"To ensure customer satisfaction."*
- *"Sales growth."*
- *"We wanted a complete offering for brand management for our clients. Be the one place they can trust a company to maintain their brand standards and quality."*
- *"Revenue."*
- *"The ever-increasing paperless business world."*
- *"Need to stay relevant, replace revenue from traditional printing services, which have declined, broaden appeal to both new and existing customers."*
- *"Acquiring sign and apparel decoration businesses."*
- *"Expand services to meet customer needs and grow new business"*
- *Increased revenue/margins."*
- *"We saw the opportunity to embed our company deeper into our customers' processes. To 'sink the hook deeper,' so to speak. We also found that certain services allow us to broaden our customer base."*
- *"We saw a possible advantage in adding wide-format printing in 2012. We are now one of the largest wide-format printing firms in our region."*
- *"We hired a new CSR experienced in ASI sales and slowly started offering these items."*
- *"We feel our strength is our ability to provide nearly all services in-house to meet deadlines, control quality, and provide a one-stop service to our customers."*
- *"Additional revenue source to bridge the gap of declining print demand."*
- *"Customers asking about apparel and ad specialties."*
- *"To meet the needs of a growing segment of our client base."*
- *"Strategic opportunity."*
- *"To satisfy clients and keep them from moving away from us."*
- *"We started getting orders from our current customers. We sent out for a while and have slowly added capabilities to do in-house."*
- *"We view it as a value-added benefit for our business."*

- *"Customers asked for it."*
- *"Observing customer activities and investing in them."*
- *"Need to help current customers."*
- *"Customer inquiring."*

Item: "You might share what challenges your firm encountered in adding non-printing products/services?"

- *"Learning a new product offering or service is a trial-and-error process. Learn from our mistakes."*
- *"No challenges."*
- *"Meeting schedules."*
- *"Knowledge/learning curve."*
- *"Training for new services, trial and error."*
- *"Pricing and operational efficiencies."*
- *"Learning curve of a new industry or products. Hiring."*
- *"Finding qualified partners."*
- *"Many services are competitive with low margins and high service costs."*
- *"Figuring out what to charge and if they were profitable or just breakeven."*
- *"Commoditization has lowered margins."*
- *"Learning curve."*
- *"It was not a challenge, but rather common sense, to keep and grow the business. This weekly publication enabled the owners to diversify their revenue stream while engaging in direct mail decades before the rest of our Sheetfed Commercial printers adopted it as a good idea. From there, the company was able to advance its service offerings, having gained extensive experience in direct mail from an early stage."*
- *"Competitiveness in price."*
- *"Biggest challenge is learning where and who to source with and understanding/learning the product offering to speak with a high level of confidence."*
- *"Education."*
- *"When adding wide-format/signs, we are sometimes challenged to decide what our "lane" is, so we can do everything we do well."*

- *"Getting the word out, overcoming existing customers' niche view of our services."*
- *"Typical growing pains, experienced employees."*
- *"Space."*
- *"I have no challenges with our customers, as they welcome the fact that we will keep their branding consistent between all the products."*
- *"Creation and management of new processes that differ from our core business."*
- *"With the entry of any new service or product offering, we lacked experience and expertise. When we added mailing services and wide-format printing, we ended up purchasing smaller companies that specialized in those areas."*
- *"Getting the word out that we could do this was a struggle early on. Even with as much advertising as we do, we still find clients who say, 'I did not know you did that.'"*
- *"Too many variables, vendors, options, and the majority tend to lean towards rush or promised jobs. It took years to weed through poor vendors and find reliable partners."*
- *"Getting sales representatives to embrace new technologies and take responsibility for learning and then selling the service with confidence."*
- *"Inaccurate time studies for kitting/fulfillment."*
- *"Learning the ins and outs of a new product/industry."*
- *"The general learning curve of understanding and navigating an entirely new service in a part of an industry we didn't have experience in and fully understand."*
- *"Scaling knowledge-sets and internal connections is very difficult."*
- *"Knowledge and finding reliable vendors."*
- *"Oh boy, way too many to list. We added DTF and DTG at the beginning of each, and we went through helping the manufacturers fine-tune the machinery."*
- *"Not being our primary service limits our total capabilities."*
- *"Finding good partner companies."*
- *"Market value - what to charge, how to charge."*

Item: "You might share the keys to making your firm's addition of non-printing products/services successful?"

- *"Have a company-wide view that we will look at any opportunity to work with a client. Thinking outside the box than a traditional ink-on-paper print shop."*
- *"Education and paying attention to every detail."*
- *"Being nimble, knowing when to cut bait on a service and when to keep investing in a service."*
- *"Notifying current clients of our new offerings."*
- *"Process efficiency and administrative efficiency of managing orders."*
- *"Finding personnel who are industry experts."*
- *"We don't view it as another line of business. We view it as a way to solidify and grow business with existing customers."*
- *"Personalization to each client."*
- *"Hard work and a vision that the team believes in."*
- *"Understanding how and why the combination works and continuing to do the same things that have led to success in the past."*
- *"Making moves that either add higher value-added or drop those that depress value-added."*
- *"Constantly looking for opportunities to reduce costs without harm to labor. Providing superior customer service."*
- *"Taking away the customer's pain points."*
- *"Communication with clients and our customer service & sales team, educating our clients about ancillary services and products."*
- *"Education and experience."*
- *"Acquiring existing businesses makes sure that you're bringing on staff who are well-versed in the products, and you are not learning on the fly."*
- *"Extreme attention to quality, ensuring any learning curve issues were addressed and corrected to the customer's satisfaction, attention to strategic needs for equipment as well as vendor partners as business grew/grows."*
- *"Diligence is key!"*
- *"Conservative approach and evaluation prior to making equipment purchases. Announcement to our customers."*

- *“Don't count on it, and it will do better than you expect!”*
- *“Do not assume non-print processes can or should be managed in the same manner as conventional print.”*
- *“We partnered and purchased local companies that gave us the expertise in these new areas.”*
- *“Innovative ideas in design. Quickly turning work that took other firms twice to three times as long to produce.”*
- *“Currently, it's such a small portion of our work. I cannot call it a success. Our clients demand quality, consistent products, so we go slow, learn what we are actually selling, and only sell what we know.”*
- *“We have 2 individuals who have championed the service, gained an understanding of the technology and applications, then said yes and figured out how to make it happen when our customers asked if we could do something.”*
- *“Accurate time studies, accurate pricing models, and marketing our additional services to existing clients.”*
- *“For us, it was building solid customer relationships and learning what they need and filling a market gap.”*
- *“Leadership attention.”*
- *“Keep track of costs and profit.”*
- *“Dedicating individuals to the task rather than having it as an additional task.”*

Closing Thoughts

Adding NPPS is happening in our industry. We hope you find the knowledge provided above helpful. If you have any suggestions or questions related to this report or any of the *“Printing Industry Performance & Insights”* studies, please email Ralph Williams at ralph.williams@mtsu.edu

Participating Regional Printing Associations

FGA – Florida Graphic Alliance

GLGA – Great Lakes Graphics Association

GMA – Graphic Media Alliance

PGCA - Print & Graphic Communications Association

PIA – Printing Industry Association

PIAG – Printing & Imaging Association of Georgia

PIAMA – Printing and Imaging Association MidAmerica

PIAS – Printing Industry Association of the South

PIASD – Printing Industry Association of San Diego

PICA – Printing Industry of the Carolinas

PIMW – Printing Industry MidWest

PINE – Printing Industries of New England

PMA – Print Media Assoc.

VMA – Visual Media Alliance