

How Will Print Develop in The Future?

The rise in availability, adoption, and ability of digital channels over the last two decades has radically changed the printing industry. Whilst many articles and editorials focus on the ways that digital channels can replace printed materials, few focus on how these digital innovations have developed (and will continue to develop) this ancient industry into a more integrated, sustainable, and engaging one. In addition to the continued rise of digital innovations as a driver for future development in the world of print, we have environmentalism. In a GlobalWebIndex study, 80% of respondents were 'concerned' about the future of the environment, with plastic pollution and deforestation in the top 3 issues listed for concern. I believe that the future of print will be driven by myriad factors, but the digital and environmental drivers will be two of the largest factors over the coming years. How this will look in practice is discussed below. Finally, we look at how printers will need to develop to keep up with these changes.

Digital Print and Augmenting Digital Experiences

There is little doubt that consumers will continue to utilise online channels where they once may have used print. A prime example of this is the rise of e-commerce and the decline of mail order only and retail businesses, a shift which has been accelerated as a result of the COVID-19 pandemic. Whilst print used to be a key medium for advertisers through inserts, doordrop and direct mail, digital channels are more accessible with lower barriers to entry when compared with print. As such, many customer journeys and marketing campaigns today are primarily (or even exclusively) online. For print, this has meant a decrease in average run lengths and average order values with it.

Subsequently, print has to find a new place in the marketer's playbook. Digital channels, whilst often cheaper, easier to measure and quicker to deploy, do have some drawbacks when compared with print. The tangibility, trust and physical engagement that comes with print cannot be replaced digitally and using print to augment these digital experiences provides a level of tangibility and trust which cannot be achieved otherwise. This is evidenced through a MarketReach study in which 87% of people said mail was believable compared with only 48% for email. Similarly, a Neuro-Insight study in 2018 concluded that people spent 31% longer looking at a brand's social media content following receiving a mail piece. To deliver on these augmented digital campaigns, personalised and timely communications are required, which can be provided through digital print. The combination of decreasing volumes and pagination with a new place for print in the marketer's playbook will, in my opinion, continue the trend towards increasing demand for digital print. This is already underway, with web and litho volumes decreasing in favour of digital. This is evidenced by digital printing making up 2.9% of the global print volume in 2017, up from 2.1% in 2012 and forecast to be 3.9% in 2022 according to a Direct2Print report. Providers who offer and consult on solutions like programmatic mail will, in my view, see an increase in demand over the coming years, as digital print becomes more prevalent.

Automation

Also, partly as a result of the decrease in average order values, I believe we will see print suppliers who don't seek to automate wherever possible suffer. With lower average order values comes lower gross profit per order, with lower gross profit per order and the same operating costs to process and produce that order, operating profit suffers. Whilst a business can only influence the average order value so much in the face of general market trends, they can influence their operating costs. Automation with the continued development of new technologies is now easier to implement than ever. Whilst this trend was always coming, the COVID-19 pandemic has increased the rate of change in this area, forcing many suppliers' hands when it comes to digital transformation and automation. Indeed, 57% of respondents

to a FuturePrint and Ricoh survey over this period stated that 'COVID-19 has accelerated change' and 51% claiming that: 'It has changed our investment plans but are now looking for technology that solves new problems'. This automation will extend across pricing through to production, paperwork, and deliveries in many different sectors of print. A benefit of this will be better and more accurate management information for printers to use to better improve their offering which will likely increase the gap between those who automate, and those who don't. In my view, automation will be a key development in the world of print in the very near future.

Sustainable Businesses, Sustainable Substrates, Sustainable Processes

Sustainability has been a trend within print for some time now. Misinformation and lack of awareness has often caused print to be seen as a decidedly environmentally unfriendly method of communicating. Organisations like Two Sides continue to work on the broader education of the public in this area, but there is no doubt that consumers will continue to demand environmentally sustainable products and services wherever possible. The industry has come a long way already with FSC and PEFC certification becoming increasingly common from paper mills and printers. Innovations in ink has also led to an increase in environmentally sustainable options. Switches away from plastics in both polywrap and packaging to paper and cardboard respectively has hugely increased demand for sustainable pulp. In addition to growing demand for these sustainable substrates, I expect printing companies themselves to attempt to become greener. I see this happening through two main methods: accreditations and carbon offsetting. With the former, I expect to see a rise in print companies becoming certified to ISO14001 standards in line with demand from public and private sector customers. Similarly, other certifications such as B Corp I expect to see increasing, with only 2 printers in the UK currently holding the certification. To achieve these accreditations, companies will have to design and implement sustainable processes from customer service through to production. With the latter carbon offsetting, I believe more print suppliers will seek to understand their impact on the environment down to a product level and allow their customers to offset the carbon footprint associated with production and delivery.

Printers Can't Just Print

From personal experience of higher education in marketing; print and offline channels are almost never mentioned, with an overwhelming focus on optimising digital campaigns. As a result, many marketers entering the industry today have excellent digital marketing skills but know very little about print. I have seen this first-hand lecturing marketing master's students at a leading business school in the UK where even the basics of print and mail aren't covered. Subsequently, new players in the industry will be joining without the requisite skills to effectively buy and use print.

To compound this, lower average order values and a shift away from print has caused lower overall print spend within large organisations. This lower spend, in many cases, removes the need for dedicated 'print buyers', passing the responsibility of print procurement to either marketing or procurement generalists who may not have the same level of technical knowledge.

Print is a very technical niche. There are millions of different combinations of substrates, inks, presses, quantities, locations, folds, binding methods, artwork layouts etc. to navigate in order to come up with an accurate specification leading to a useful product. Print procurement being carried out by procurement generalists and/or untrained marketers will struggle to effectively buy print and use it to its full effect. To guide them through this, the burden will fall onto the print suppliers themselves to be able to consult and advise as well as price up and sell. The results of a 2021 Canon Insight Report on 'Creating Customer Value' supports this, with 80% of buyers surveyed stating they would welcome

more creative input from the printers they work with. Printers will need to understand how their products are going to be used by the organisation buying them and suggest specifications and production methodologies to allow them to achieve their objectives. In many instances, this is a very large departure from the current customer journey of: receiving a specification, submitting a price, and producing the job.

Printers who cannot consult with their customers and add value here will struggle against their competition.

Conclusions

To conclude, in my opinion, the key developments for print in the future will be:

- Using print to augment digital customer journeys.
- Continued rise in demand for digital print.
- Increased automation across the board from sales and pricing through to production and delivery.
- Increased gap between those print suppliers who do automate and those who don't.
- More companies seeking greener ways of working through accreditations.
- Increase in the ability for firms to calculate and offset the carbon emissions associated with producing and delivering individual print projects.
- Printers who just print will struggle, whilst those who can consult and advise will thrive.

Overall, it's a very exciting time to be in the world of print, and many of these changes listed above will lead to a more sustainable future for the industry.

What Kind of Working Environment Are You Looking For? How Could a Printing Company Provide This?

Those entering the labour force today have very different expectations when it comes to working environment compared with past generations. The key trends are a focus on the stakeholder view over shareholder view, flexible working, as well as progression and development. Below, each of these trends as well as some additional working environment benefits are analysed and methods of implementation for print companies are suggested.

Stakeholder View

The shareholder view of running a company has dominated in western countries for decades, with the primary (and in many cases sole) goal of the business being to maximise profits for shareholders. Today's workforce are demanding something different, and companies with a stakeholder view on company operations are more likely to attract and retain talent. This is evidenced through the growth of the B Corp movement, with many companies claiming that adopting the standard, whereby the firm is legally obliged to consider the social and environmental impact of their decisions, has enabled them to hire better talent and, crucially, retain them. Through adopting a more stakeholder focussed approach, employees generally feel more fulfilled in their roles, believing they're doing something more than just lining the pockets of the shareholders. There are already numerous examples of employee ownership and triple bottom line models in the print industry, and a work environment which considers these factors is a much more positive one than a solely profit driven one.

There are countless ways of incorporating these practices into the workplace within a printing company and can be a great opportunity for firms to create unique and innovative policies to attract young talent.

Webmart's 'Sexi scheme' is a great example of this, whereby all profits above a certain level are distributed to all staff who've served at the company for over two years. Similarly, firms could make a formal commitment to donate a certain proportion of revenues or profits to charity or allow employees a certain number of paid days per year to volunteer at local non-profits.

Whilst profit is always going to be a driver for any business, incorporating other stakeholder based KPIs into the company's mission is sure to create a more positive work environment for all, not just new young hires.

Flexible Working

Flexible working's viability will vary across the different types of printing companies in the market. Print manufacturers will have less (although still some) scope for flexible working, since there's a requirement to man the equipment for production. However, the COVID-19 pandemic has demonstrated how businesses are able to cope without everyone in the office/warehouse/plant full time. Flexible working is increasingly becoming an expectation rather than a nice to have, and there are certainly benefits to it. Being able to work from home increases the pool of people a printing company is able to hire from due to long commutes being less of an issue. Through having a larger pool of potential employees, the firm is likely to find better talent. Reduced commuting time for employees also helps to provide a better work/life balance for staff, improving their productivity when they are working.

However, just as there are benefits to home working and flexible hours, so are there benefits to being surrounded by colleagues, particularly for younger and less experienced workers. For my first 9 months in the world of print, despite being able to work from home, I went into the office voluntarily every day since it is much easier to learn when surrounded by more experienced people. The learning process is, in my experience, much quicker when immersed in the environment. An easy way for print companies to implement this is an open plan workspace with hot desks. Ensuring people from different departments are inter-mixed will heighten this effect. For me starting out in sales, it was useful to sit near the commercial team to learn about the technicalities of print production and then beside the account managers to learn project management techniques, both of which helped with my main role in sales.

So, a flexible working environment is important, but the key is to have the option where possible. Being forced to work from home has just as many downsides as being forced to work in the office, with isolation from colleagues and no material barrier between work life and home life. To implement flexible working to its full effect, printing companies must provide the option for employees, and make sure they work with their managers to ensure that their working environments and patterns work best for them. Through doing this, print companies will not only see more people wanting to work for them, but more productive employees when they join.

Progression & Development

Finally, an important expectation in today's working environment is the opportunity for personal and professional development, as well as progression through the company. Companies are expected to invest in the development of their staff, either through funding external courses, investing time into internal training or both. It's important to note that progression through a company is rarely linear in today's market, or certainly less linear than it once was. I have worked with a managing director who started out in IT, salespeople from account management, and even a head of finance who started out in telemarketing. Young people entering the market, particularly a niche market like print, are unlikely to know straightaway where their skills will be of most use. As such, the training the company provides

should not just be limited to specific roles (e.g., sales training just for salespeople, project management just for project managers) since firms may well have hidden talent within other departments. In sum, training and development across a number of business functions available to people from different departments would be something I look for in a modern working environment.

Then comes progression. Often, progression is based largely or solely on time served. For me, this is an outdated metric and does not lead to strong business performance. Whilst loyalty to a firm and experience are certainly useful metrics when looking for individuals to promote, progressing through a business as a result of sticking around does not inspire or motivate. As such, a policy focussed on performance-based progression is very attractive to ambitious young people entering the industry. The potential to progress then falls within the individual's control which provides motivation to develop, learn and succeed at the firm in the knowledge there's reward at the end of it. Not only are these kinds of policies good for the individual, but they're also good for the business. Implementing performance-based progression policies for print companies requires defining the metrics which determine an individual's performance in their role, setting clear objectives, and agreeing the rewards for achieving them. This is easier in some roles (like sales) than others. But within each role, there will be some metric or number that they are responsible for and performance-based progression policies can be implemented using these.

Conclusion

To conclude, the main working environment elements I am looking for are:

- Stakeholder view over shareholder view. A working environment in which the staff are working toward a triple bottom line (or similar) goal rather than a solely profit based one.
 - o This could be implemented through charitable giving, profit shares, employee ownership opportunities, donating time to non-profits etc.
- Flexible working. Allowing employees the opportunity to co-create their individual working arrangements.
 - o Empower managers to allow them to agree individual working methods and practices with their teams. This could include flexible hours or home working where applicable.
- Open plan, collaborative workspace.
 - o Allow people from different departments and with different experience levels to work in the same space. This allows for learning by osmosis and rapid development.
- Varied training opportunities.
 - o Training opportunities should not just be limited to role-based training but cover a range of topics to gain a broader skillset and identify talent.
- Performance based progression.
 - o Clear progression opportunities based on the performance of the individual. Identify and define metrics linked to performance with clear progression paths.

The general theme of what I would be looking for in a working environment is a more tailored approach. Different people work best in different ways, are interested in different things, have different abilities and harbour different ambitions. A workplace that can work for the individual rather than a one size fits all will be better able to attract and retain talent in print, and would certainly get my vote.