Printing in Australian Businesses, 2009-2011

A Market Report

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Penfold Research

Report Outline

Printing in Australian Businesses, 2009-2011




This report provides an in-depth analysis of the $6 billion market for printing in Australian businesses.

It is based on a survey program of 885 interviews:

- **775 with businesses,**
- **100 with commercial print providers,**
- **10 informal trade interviews.**

The printing market like that of the economy is enduring the effects of the global financial crisis. This is causing elevated levels of customer switching and frugality as well as accelerating the industries evolution/tranformation - and opening up opportunities for well run operators.

Our research has revealed while overall market growth is subdued, the market is highly segmented and there are various bright ‘pockets of growth’ to tap into. With economic indicators pointing to a shallower downturn and faster recovery than initially predicted, we believe 2009 will prove to be a period where major competitive advantages are won and lost.

About this report

This report provides an extensive analysis of the printing market in Australia. It measures market size in various dimensions, identifies trends and behaviour as well as analysing products, services, brands and consumer segments. It also identifies the key players, their strengths/weaknesses and market shares. Finally it provides forecasts for the future.

It can be used as a strategic planning tool and ‘opportunity spotter’ as well as an industry reference manual. It is designed primarily for operators involved in the industry – whether as manufacturers/ suppliers, distributors/dealers or print providers.

How this report can help you

This study is designed so industry participants can understand all key aspects of the market, the changes that are re-shaping it, assess where they are now and measure themselves against competitors. It will allow your business to identify where growth opportunities lie and provide a base for strategy development and future growth.

Potential subscribers may request a viewing/presentation of this report by contacting us as below.

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Overview

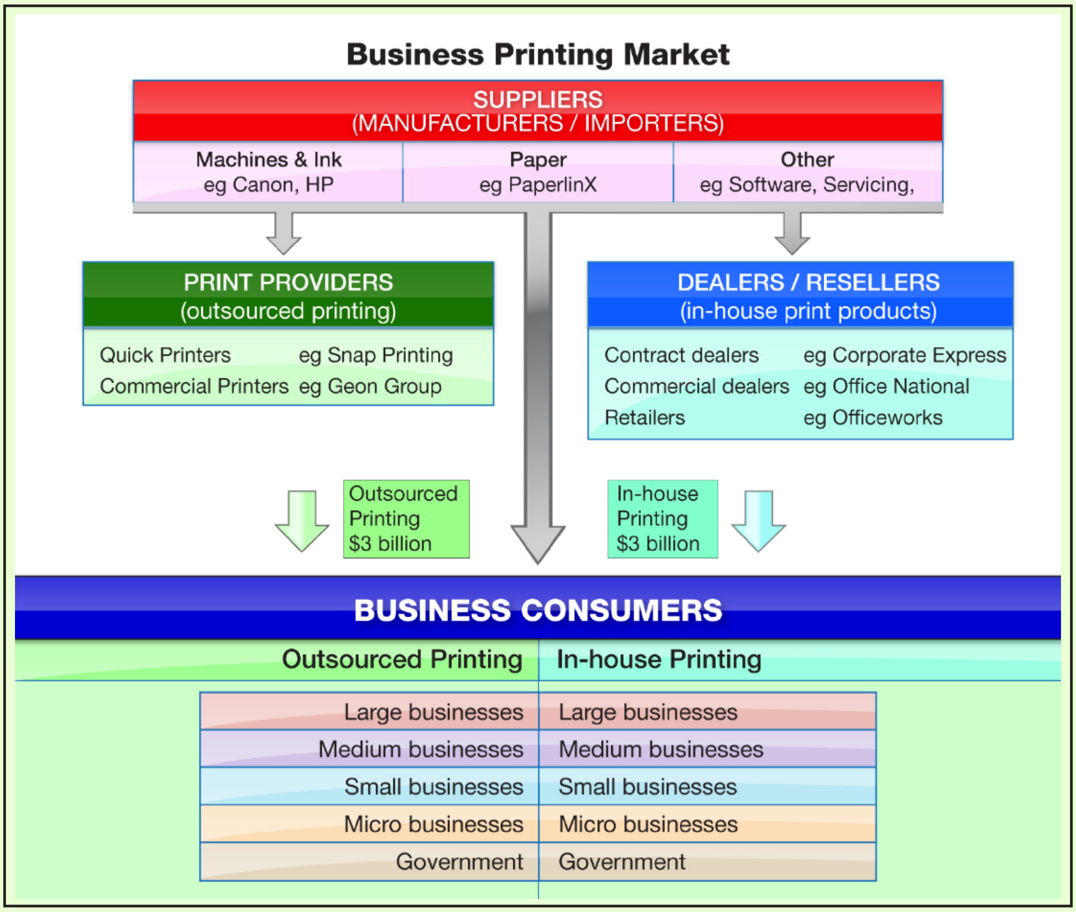
Subscribers will be able to use this report to:

- **Identify where growth opportunities lie.** Which areas of the market will grow fastest and which segments, categories or channels are you under-represented in?
- **Adjust your 'offer' to appeal to business consumers needs.** Research findings on purchasers/users will assist decisions on marketing/promotions, product development, where to allocate resources, pricing and distribution.
- **Benchmark performance against your competitors.** Confirm competitors (and your own) market positioning, in terms of customer purchase rates and market shares.
- **Measure market/brand shares** – and understand the strengths/weaknesses of individual operators and/or brands.

Report components

This report focuses on the fulfillment of businesses' print requirements – whether via 'in-house printing' on businesses own equipment - or through 'outsourced printing' via specialist print providers. Increasingly businesses are facing the choice beween these two options, and this report extensively details their behavoiur/purchasing in these competing sectors. We provide a high degree of consumer segmentation throughout, based on the five types/sizes of businesses, as outlined in the diagram below.

There is also comprehensive information on print providers – who supply outsourced print services to businesses – as well as the dealers/resellers who supply in-house printing products (paper, machines and cartridges).



Overview

Print sectors

This report deals with the everyday printing requirements of businesses in Australia.
There are two separate but related areas of printing used by businesses and covered in this report:

1. **Outsourced Printing** – where an outside specialist 'print provider' such as a quick printer (eg Kwik Kopy or Snap) or commercial printer (eg Geon or Blue Star Print) completes designated print jobs for the business.

   The report contains a series of survey data on each of 20 of the most common types of print services – from brochures and banners to catalogues and books.

2. **In-house Printing** – where businesses 'self-print' documents on their own printing equipment. This may be on anything from high speed digital copiers/printers to inkjet or laser printers. Within this sector we cover the use and sales of products used in this type of printing (ie printing machines, paper and cartridges).

   The report contains detailed survey data (including brand shares) for each of 22 individual product types – from OEM colour laser cartridges to high speed digital copiers/printers to various varieties of paper.

Chapter overview

Following the introduction, the report comprises 10 chapters, as described below:

Chapter 2 – Executive Summary. Outlines the key points taken from all chapters.

Chapter 3 – Market overview. Provides a diagrammatic summary, market size and growth (by consumer segment and sector), market shares, trends, drivers and key growth areas.

Chapter 4 – Business consumers. Includes extensive segmentation data. For each segment, expenditure, growth, a range of characteristics/behaviours and various business statistics.

Chapter 5 – Print services. The largest, most popular & fastest growing types of outsourced services. Major equipment types held and brand shares of machines.

Chapter 6 – Products for in-house printing. Each of the 22 products covered has a two-three page section including market size, growth, outlook, brand shares, reasons brands selected and detailed profile of purchasers (ie age, gender, role & method of purchase).

Chapter 7 – Managed print services (MPS). Sector size and outlook, usage rates, most receptive/ attractive segments, motivations to adopt, key suppliers and rating of suppliers.

Chapter 8 – Commercial print providers. Provides market shares, customer ratings and strength/ weakness analysis of major providers as well as awareness and usage rates.

Chapter 9 – Product dealers/resellers. Provides market shares, ratings and strength/ weakness analysis of major operators plus key factors used when choosing who to buy from.

Chapter 10 – Suppliers/distributors to print providers. Provides performance ratings of major paper and equipment suppliers - including a detailed strength/weakness analysis.

Chapter 11 – Outlook to 2011. Our projections of market developments, including growth by category and business segment, to 2011.

Table of Contents

Table of Contents

Table of Contents

Table of Contents

Research methodology

This report is based on three separate programs of interviews.

1. Business survey (n=775)

We surveyed 775 business purchasers of printing products and services, using a structured set of questions. These surveys were commenced in February and completed in March 2009. The survey length was approximately 20 minutes. Sample quotas were set specifying the breakdown of the sample, to replicate the overall business population. The sample profile is listed below.

Respondent profile - business print purchasers		
	Number	% Share
Business size		
Micro (< 5 workers)	291	38
Small (5-19 workers)	187	24
Medium (20-99 workers)	139	18
Large (100 + workers)	158	20
Government enterprises	85	11
Industry sector		
Agriculture, forestry and fishing	12	2
Mining	17	2
Manufacturing	55	7
Electricity, gas and water supply	7	1
Construction	43	6
Wholesale trade	27	3
Retail trade	84	11
Accommodation, cafes and restaurants	31	4
Transport and storage	24	3
Communication services	28	4
Finance and insurance	76	10
Property and business services	111	14
Government administration and defence	49	6
Education	48	6
Health and community services	78	10
Cultural and recreational services	21	3
Personal and other services	38	5
Other	26	3
State		
NSW	263	34
ACT	15	2
VIC	178	23
TAS	16	2
QLD	163	21
SA / NT	61	8
WA	79	10
Total	775	100

2. Commercial print providers survey (n=100)

We interviewed 100 print providers using a structured set of questions. These surveys were completed by telephone (CATI) in February and March 2009. The survey length was approximately 10 minutes. Sample quotas were set specifying the breakdown of the sample in order to reflect the population of commercial print providers in the market place.

Respondent profile - print providers		
	Number	% Share
Business size		
Small printer	66	66
Medium printer	27	27
Large printer	7	7
State		
NSW / ACT	35	35
VIC / TAS	30	30
QLD	17	17
SA / NT	8	8
WA	10	10
Business role		
Owner	41	41
Director	19	19
Managing Director / CEO	25	25
General Manager	7	7
Sales / Marketing Manager	1	1
Other Manager	7	7
Total	100	100

3. Consultant interviews with market operators

We personally interviewed a selection of industry operators – including OEM vendors, paper suppliers and commercial/quick printers.
These interviews were unstructured and were completed in March and April 2009. They have provided another layer of knowledge, complimentary to the survey data.

About us

Penfold Research specialises in providing decision making information for operators in the printing and office products industries. We assist clients to keep up with market changes and position themselves for growth. We do this by gathering and distilling a wide range of data sources into concise summaries that operators use in their market planning, setting their 'offer' and other decision making.

Companies that regularly purchase our reports are some of the largest and most successful in the industry, including OEM printing vendors, paper manufacturers, printers and resellers/dealers.

Penfold Research is headed by Andrew Penfold. He combines the experience of working in his families printing and stationery business with 8 years working in a major B2B research and forecasting house. He is regarded as an industry expert in the area of office based research.

Andrew has been conducting office and business related research since 1999 and before that worked for a major printing and office products business in marketing management. He has over 15 years experience working in the office related market and is the author of the "Office Products in Australia" market report, which has become a widely used reference tool for many operators. His office products research covers a wide range of printing, paper as well as other products.

Andrew has also completed a variety of private consulting and research projects in Australia, Asia and the Middle East.

He is a full member of the Australian Market and Social Research Society (AMSRS) and has an undergraduate and Masters degree, both in Commerce from UNSW.