

2018 SGIA Industry Benchmarking Report

Graphics & Sign Community



Executive Summary

SGIA conducted its Industry Survey in January and February 2018. The goal of the survey was to evaluate current industry situation, identify the trends and provide printers with the information they need for running their businesses and project for the future. This report is based on the responses of 201 graphics and sign companies from the US and Canada.

The majority are in business-to-business operations (74.1%), a decrease of 10%, and the number of business-to-consumer companies has increased by more than half to 23.4%. In terms of geographic coverage, companies are divided: half of them focus on one market only, and the other half serve two or more.

Since SGIA's 2017 report, the median number of employees stayed the same (N=12), but median sales have decreased slightly to \$1,850,000. This could be because the number of smaller companies (less than 5 employees and revenues of less than \$250,000) has increased. We saw a slight increase in the number of women-owned businesses to 11.2%, and more women are represented at the management level (36.1%).

At least half of the responding companies (50.9%) rely solely on digital equipment. Almost all of the respondents have wide-format inkjet printers. The median of production facilities use is 65.3%. More than nine out of 10 companies (90.6%) offer finishing/post-production services. The exchange of services between printers happens more frequently on the production level. However, at least half of respondents either provide or purchase post-print services. This exchange of services allows companies to use their production facilities more efficiently. Lamination (91.9%), installation (80.6%), grommeting (77.4%) and mounting (75.8%) continue to be the most frequently provided finishing services.

The number of printers who use software (77.6%) and production tools (57.3%) has increased since last year. The intention to buy them in the future is also high. Among roll-to-roll inkjet systems, 36-96-wide systems

with solvent or latex inks are used and desired for the future the most.

The level of spending on the capital equipment has increased slightly. Looking into the future, about three-quarters of respondents plan to either have the same capital investment or increase it (72.6%). The top contributing factors to the investment decisions are: need to increase capacity, increased product demand, replacement needs and also new products or innovations in the production process.

When buying equipment printers are concerned the most about customer support, durability of equipment, price to operate and range of capabilities. More than half of purchases (57.1%) are done using cash. Lease, bank loan and company credit cards are also used more frequently compared to the last year.

Corporate branding, retail, architecture and non-profits are among the most popular markets served by printers. Banners and window graphics are the most served product areas. What types of payment do they use? Credit cards and checks are still the top choices, however, phone and mobile payments are on the rise compared to the previous year.

Finding new customers and downward pressure on prices are still the main obstacles to growth for printers. What is different from the 2017 survey results is that training is viewed as a barrier to growth by the increased number of respondents.

To stay competitive, companies focus not only on the cost reduction, but also on the personnel training. To attract new customers, they rely on their websites, referrals, social media, inside sales and networking events. They also try to maximize the value of the existing customers by improved customer service. The business indicators are strong with the majority of the companies reporting increases in sales and production in the current year, and even higher numbers expected for the future. Industry confidence is on the rise, as is confidence in the economy.

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Companies in General

While most of the companies serve other businesses (74.1%), the number of those in the business-to-consumer segment has increased by 58.1% (23.4%) (Table 1). Local (65.3%), regional (58.7%) and national (58.2%) areas are almost equally represented by our respondents (Table 2). Every second company (52.0%) serves only one area, however, 10.2% serve two areas and 38.3% serve at least three areas.

The median number of employees is 12, and the median sales revenue is \$1,850,000. The number of smaller companies (less than 5 employees and revenue of \$250, 000 or less) has increased during the current year from 8% to 13%. We hope that those are new businesses that will grow in the future.

The percentage of companies owned by women has increased by 41.9% (11.2%) (Graph 2), and more women are taking roles in management, sales and production (Graph 3).

Table 1: Type of Primary Business

Graphics & Sign: Type of Business	2018	2017
Business-to-business	74.1%	83.1%
Business-to-consumer	23.4%	14.8%
In-plant printer	2.5%	2.1%

N=197

Table 2: Areas Served

Graphics & Sign: Areas Served	2018	2017
Local	65.3%	63.5%
Regional	58.7%	64.6%
National	58.2%	57.1%
International	23.5%	26.5%

N=196

Table 3: Number of Employees

Graphics & Sign: Number of Employees	2018	2017
1-4	28.2%	25.9%
5-9	18.8%	21.2%
10-19	18.8%	16.4%
20-99	24.8%	27.5%
100-499	9.4%	7.9%
500-749	0.0%	1.1%

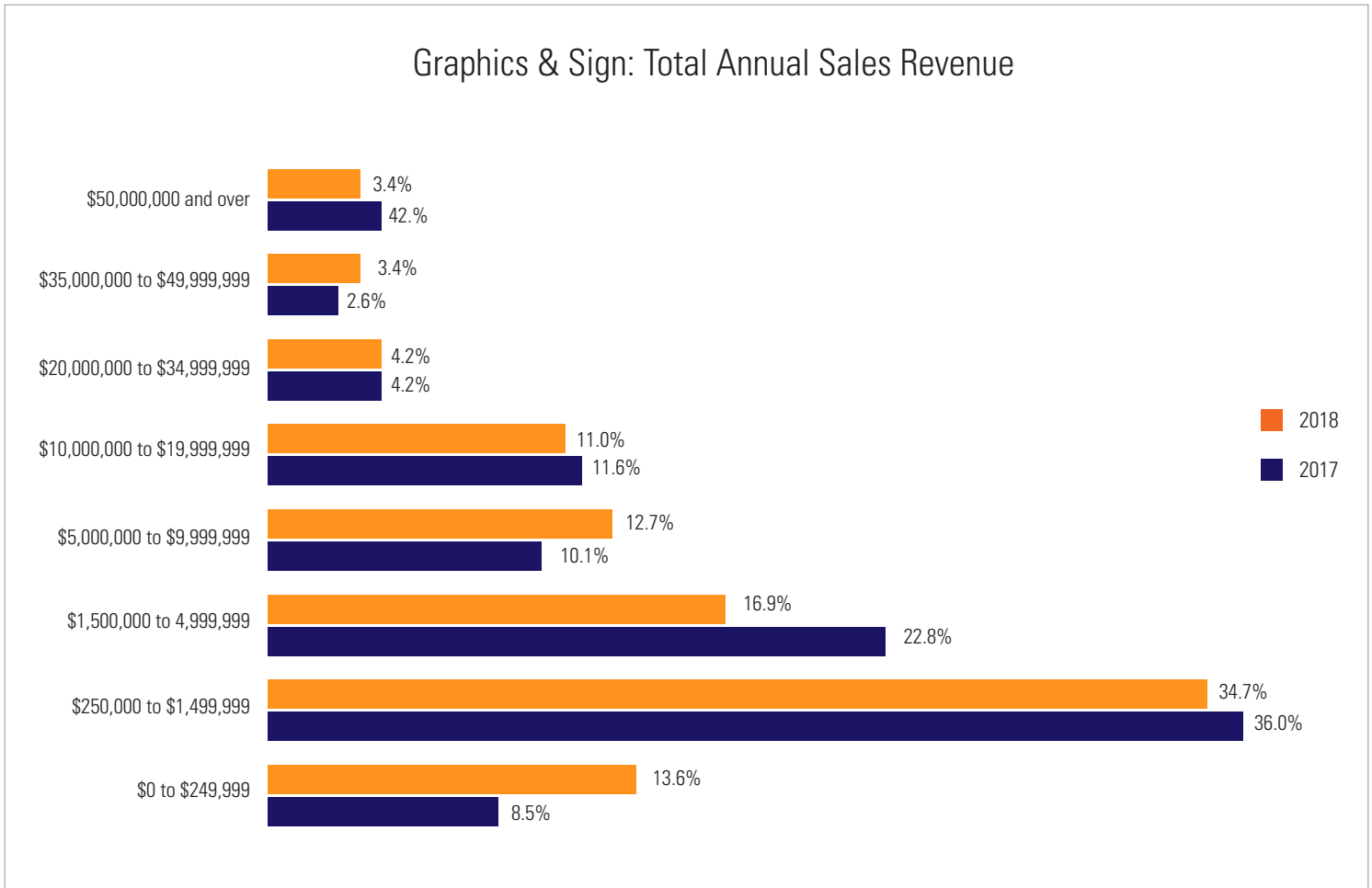
N=117

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Graph 1: Total Annual Sales Revenue



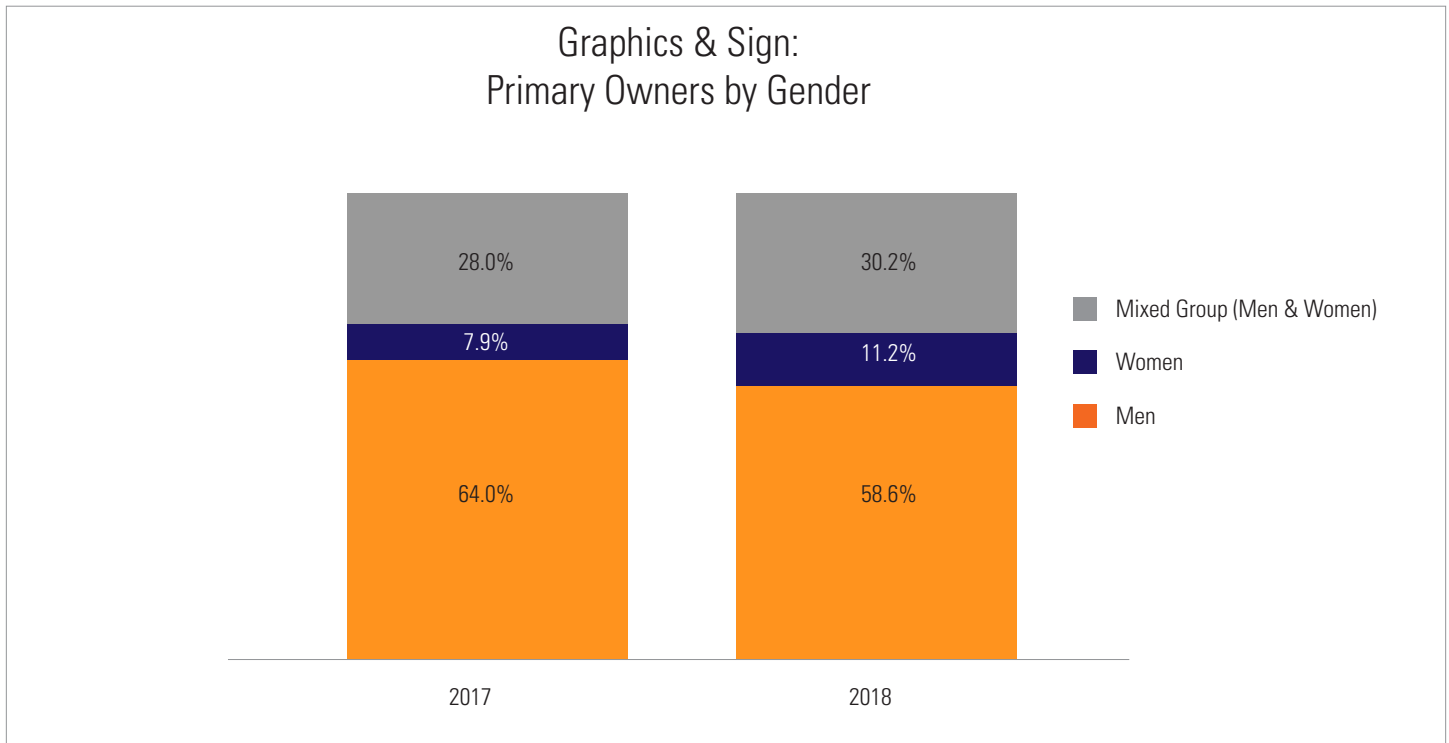
N=118

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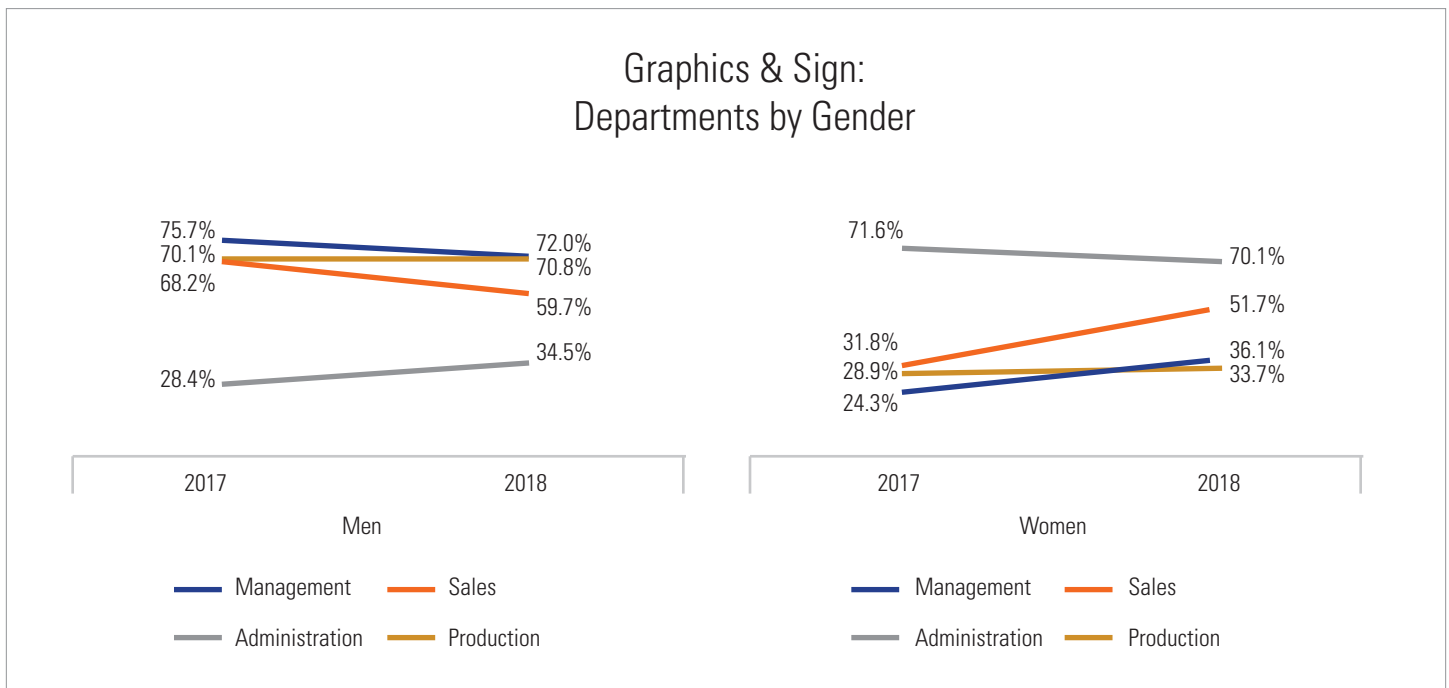
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Graph 2: Primary Owners by Gender



Graph 3: Departments by Gender



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Printers' Technology

Companies are divided between those who rely entirely on digital equipment (50.9%) and those who use it with other technologies as part of multi-technology approach (49.0%) (Table 4). More than three-quarters of the companies (78.2%) use between 50% and 100% of their production facilities, with the median of 65.3% (Table 5).

Almost all of the respondents have wide-format inkjet (89.6%), and about every third printer uses either dye sublimation (31.3%), screen printing (29.9%) or dry toner (29.9%) equipment (Table 6).

At least nine out of 10 companies (90.6%) offer finishing/post-production services to customers, a 7.5% increase (Table 7). The exchange of services between printers happens more frequently with production services (65.4% provide and 73.0% purchase), but at least half of respondents either provide (52.8%) or purchase post-print services (55.3%) (Table 8). This exchange of services allows companies to use their production facilities more efficiently. Lamination (91.9%), installation (80.6%), grommets (77.4%) and mounting (75.8%) continue to be the most frequently provided finishing services (Table 9).

Table 4: Technology Mix

Graphics & Sign: Technology Mix	2018	2017
Entirely digital	50.9%	55.0%
Multi-technology, but mostly digital	30.3%	27.5%
Multi-technology, with no single dominating process	14.5%	11.1%
Multi-technology, but mostly analog	4.2%	6.3%
Entirely analog	0.0%	0.0%

N=165

Table 5: Average Production in Use as Compared to Total Potential Production

Graphics & Sign: AVERAGE production in use, as compared to TOTAL potential production	2018	2017
0%-10%	0.6%	0.5%
11%-20%	0.6%	1.1%
21%-30%	4.8%	4.8%
31%-40%	8.5%	7.4%
41%-50%	7.3%	11.1%
51%-60%	16.4%	19.0%
61%-70%	27.3%	24.9%
71%-80%	24.2%	20.6%
81%-90%	4.8%	7.4%
91%-100%	5.5%	3.2%

N=165

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Table 6: Types of Technology Used

Graphics & Sign: Types of Technology Used	2018	2017
Wide Format Inkjet	89.6%	86.2%
Dye-Sublimation	31.3%	29.1%
Dry Toner	29.9%	28.6%
Screen Printing	29.9%	22.2%
Custom Solutions Inkjet	22.9%	23.3%
Commercial Inkjet	19.4%	22.8%
Laser Etch/Engrave	19.4%	17.5%
Dynamic Signage	17.4%	10.1%
Embroidery	14.6%	4.2%
Sheetfed Offset	13.9%	10.1%
Narrow Format Inkjet	11.8%	15.3%
3D Printing	9.7%	8.5%
Direct-to-Garment Inkjet	8.3%	2.6%
Subtractive Conversion	8.3%	10.6%
Flexographic Printing	6.9%	3.7%
Pad Printing	4.2%	3.2%
Wet Toner	4.2%	5.3%
Gravure	1.4%	1.1%
Web Offset	1.4%	2.1%
Cylinder Screen	1.4%	2.6%
Rotary Screen	1.4%	1.1%
Cylinder Inkjet	0.7%	3.2%

Table 7: Finishing/Post-Production Services Offered to Customers

Graphics & Sign: Finishing/Post-Production Services Offered to Customers	2018	2017
Yes	90.6%	84.3%
No	9.4%	15.7%

N=159

Table 8: Production and Finishing/Post-Production Services Exchange

Provide PRODUCTION services TO other printers	65.4%
Provide FINISHING/POST-PRINT services TO other printers	52.8%
Purchase PRODUCTION services FROM other printers	73.0%
Purchase FINISHING/POST-PRINT services FROM other printers	55.3%

N=159

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Table 9: Types of Finishing/Post-Production Services Offered

Graphics & Sign: Types of Finishing/Post-Production Services Offered	2018	2017
Lamination	91.9%	86.2%
Installation	80.6%	75.7%
Grommeting	77.4%	76.2%
Mounting	75.8%	79.4%
Die-cutting/laser cutting	54.0%	56.1%
Routing	51.6%	56.1%
Sewing or seaming	43.5%	36.5%
Fulfillment	41.9%	51.3%
Warehousing	32.3%	37.6%
Bagging/tagging	25.0%	32.3%
Doming	9.7%	7.4%
Vacuum forming/molding	4.0%	6.9%

Equipment Use

Most printers currently use software (77.6%) and production tools (57.3%), percentages that have increased by 16.2% and 32.0% respectively. More than twice as many intend to buy software (11.9%) as intend to buy production tools (6.3%) (Table 10).

Among roll-to-roll inkjet systems, 36-96 inch-wide systems with solvent (48.8%) or latex (38.0%) inks are used the most, with latex systems purchased most frequently during the current year (12.4%). Latex systems are also among the most desirable for the future (5.4%), along with dye-sublimation (6.2%) and UV-curable (more than 96 inches) (Table 11). There's also a preference of UV-curable inks in hybrid and flatbed inkjet systems (Tables 12, 13).

Manual and automatic screen printing presses were equally important to the printers (Table 14).

The most frequently-used finishing equipment are lamination/mounting (74.1%), cutting/trimming/routing/die-cutting (72.7%), and grommeting (70.6%). Cutting equipment was the most frequently bought during the current year (13.3%) and the most desired for the future (11.9%) along with sewing/seaming equipment (10.5%) (Table 19).

Table 10: Pre-Press

Graphics & Sign: Pre-press	Currently in Use	Bought during the LAST 12 months	Planning to buy during the NEXT 12 months
Software (e.g., RIP, creative, color management, production management)	77.6%	11.9%	11.9%
Production tools (e.g., color measurement, proofing device, viewing station)	57.3%	9.8%	6.3%
Image Carrier tools (e.g., plate/screen/cliche making equipment/tools)	22.4%	1.4%	2.1%

N=143

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Table 11: Roll-to-Roll Inkjet Systems

Graphics & Sign: Roll-to-Roll Inkjet Systems	Currently in Use	Bought during the LAST 12 months	Planning to buy during the NEXT 12 months
AQUEOUS, 36-96 inches	17.1%	2.3%	0.8%
LATEX, 36-96 inches	38.0%	12.4%	5.4%
SOLVENT, 36-96 inches	48.8%	7.0%	3.1%
UV-CURABLE, 36-96 inches	17.1%	2.3%	3.9%
DYE SUBLIMATION, 36-96 inches	12.4%	3.9%	6.2%
AQUEOUS, more than 96 inches	2.3%	0.8%	0.0%
LATEX, more than 96 inches	8.5%	4.7%	4.7%
SOLVENT, more than 96 inches	7.8%	0.8%	0.0%
UV-CURABLE, more than 96 inches	17.1%	3.1%	4.7%
DYE SUBLIMATION, more than 96 inches	15.5%	4.7%	1.6%

N=129

Table 12: Hybrid Inkjet Systems

Graphics & Sign: Hybrid Inkjet Systems	Currently in Use	Bought during the LAST 12 months	Planning to buy during the NEXT 12 months
UV-CURABLE, less than 36-96 inches	10.9%	1.6%	1.6%
UV-CURABLE, more than 96 inches	18.6%	0.8%	3.9%
SOLVENT, less than 36-96 inches	3.1%	0.8%	0.0%
SOLVENT, more than 96 inches	1.6%	0.8%	0.0%

N=129

Table 13: Flatbed Inkjet Systems

Graphics & Sign: Flatbed Inkjet Systems	Currently in Use	Bought during the LAST 12 months	Planning to buy during the NEXT 12 months
Flatbed, UV-CURABLE	40.3%	3.9%	10.1%
Flatbed, compact or tabletop system	6.2%	0.8%	2.3%

N=129

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Table 14: Graphic/Industrial Screen Printing

Graphics & Sign: Graphic/Industrial Screen Printing	Currently in Use	Bought during the LAST 12 months	Planning to buy during the NEXT 12 months
Manual screen printing press, graphics/industrial	17.8%	0.8%	0.0%
Automatic screen printing press, graphics/industrial	17.1%	0.8%	0.0%

N=129

Table 15: Sheetfed Offset

Graphics & Sign: Sheetfed Offset	Currently in Use	Bought during the LAST 12 months	Planning to buy during the NEXT 12 months
Max sheet size 11x17	7.8%	0.0%	0.0%
Max sheet size 19x26	3.1%	0.0%	0.8%
Max sheet size 23x35	2.3%	0.0%	0.0%
Max sheet size 28x40	4.7%	1.6%	0.8%

N=129

Table 16: Web Offset

Graphics & Sign: Web Offset	Currently in Use	Bought during the LAST 12 months	Planning to buy during the NEXT 12 months
Less than 22 inches in width	1.6%	0.0%	0.0%
More than 22 inches in width	0.8%	0.0%	0.0%

N=129

Table 17: Flexographic Printing

Graphics & Sign: Flexographic Printing	Currently in Use	Bought during the LAST 12 months	Planning to buy during the NEXT 12 months
Narrow Web: Less than 24"	3.1%	0.0%	0.0%
Mid Web: 24" to 44"	0.0%	0.0%	0.0%
Wide Web: More than 44"	0.8%	0.0%	0.0%

N=129

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Table 18: Post-Press, Screen Printing

Graphics & Sign: Post-press, Screen Printing	Currently in Use	Bought during the LAST 12 months	Planning to buy during the NEXT 12 months
Automatic screen cleaning/reclamation	5.4%	1.6%	0.8%
Dryer, curing unit	14.0%	0.8%	0.8%

N=129

Table 19: Finishing

Graphics & Sign: Finishing	Currently in Use	Bought during the LAST 12 months	Planning to buy during the NEXT 12 months
Cutting/trimming/routing/die cutting equipment	72.7%	13.3%	11.9%
Embossing, vacuum forming, hot stamping equipment	9.8%	0.0%	1.4%
Grommeting equipment	70.6%	4.9%	3.5%
Lamination/mounting equipment	74.1%	7.0%	7.0%
Sewing/seaming equipment	37.8%	7.0%	10.5%

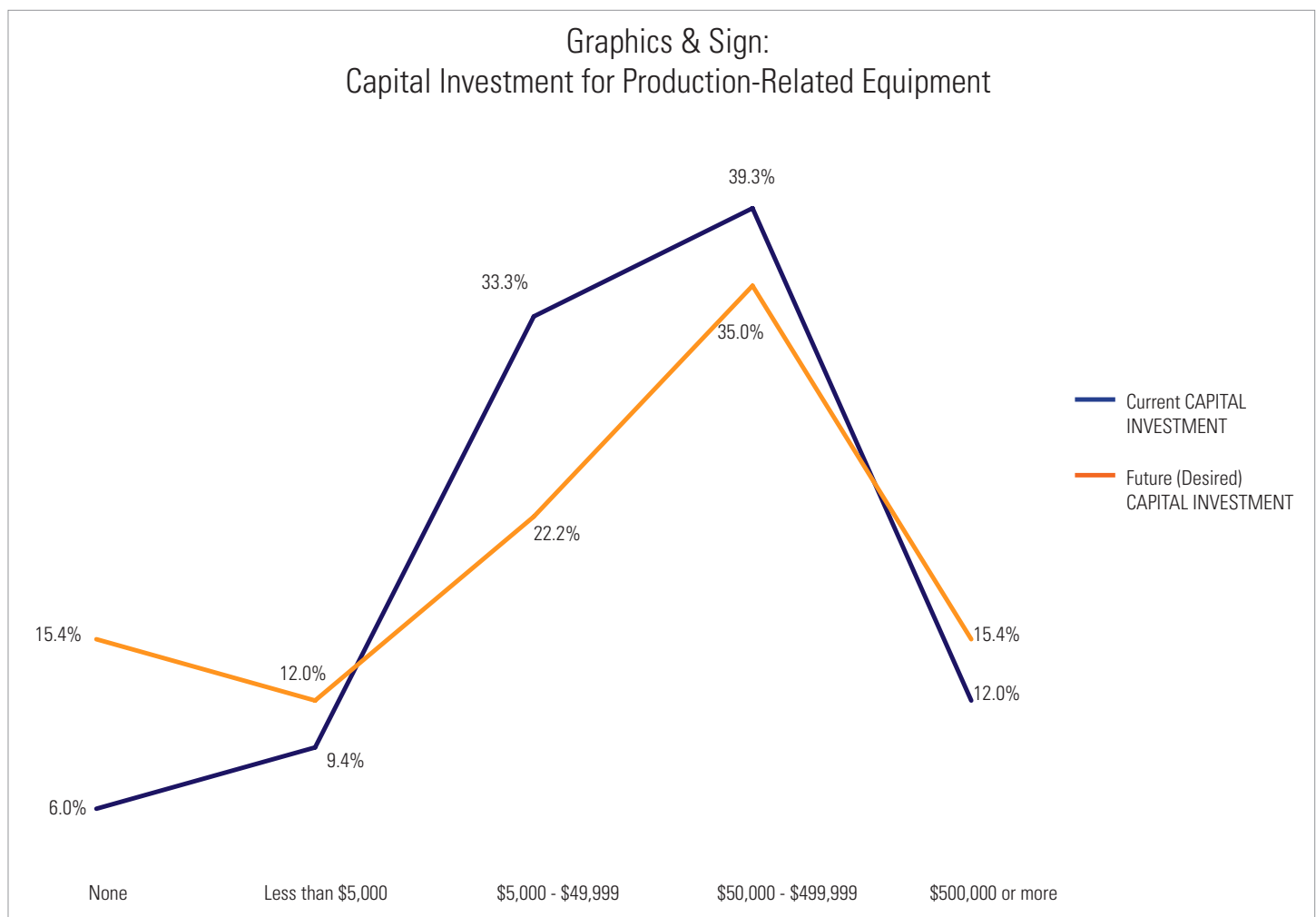
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Equipment Purchases

Two out of three printers spend either \$5,000-\$49,999 (33.3%) or \$50,000-\$499,999 (39.3%) on production-related equipment (Graph 4 & Table 20). About three-quarters of respondents plan to either have the same capital investment or increase it (72.6%). Among the top factors contributing to investment decisions, the most popular are a need to increase capacity, increased product demand, replacement needs and new products or innovations in the production process (Table 21).

Customer support (51.3%), durability of equipment (54.4%), price to operate (46.8%) and range of capabilities (43.0%) are the most important factors influencing equipment purchasing decisions, with all of them being on the rise since the last year, except for the “price to operate/maintain” (Graph 5). The use of cash in purchasing has increased to 57.1%. Other payment options that printers started to use more frequently are lease, bank loan and company credit card. (Table 22).

Graph 4: Capital Investment for Production-Related Equipment



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Table 20: Current vs. Future Capital Investment

Graphics & Sign: Current vs. Future Capital Investment	
Same or Increase	72.6%
Decrease	27.4%

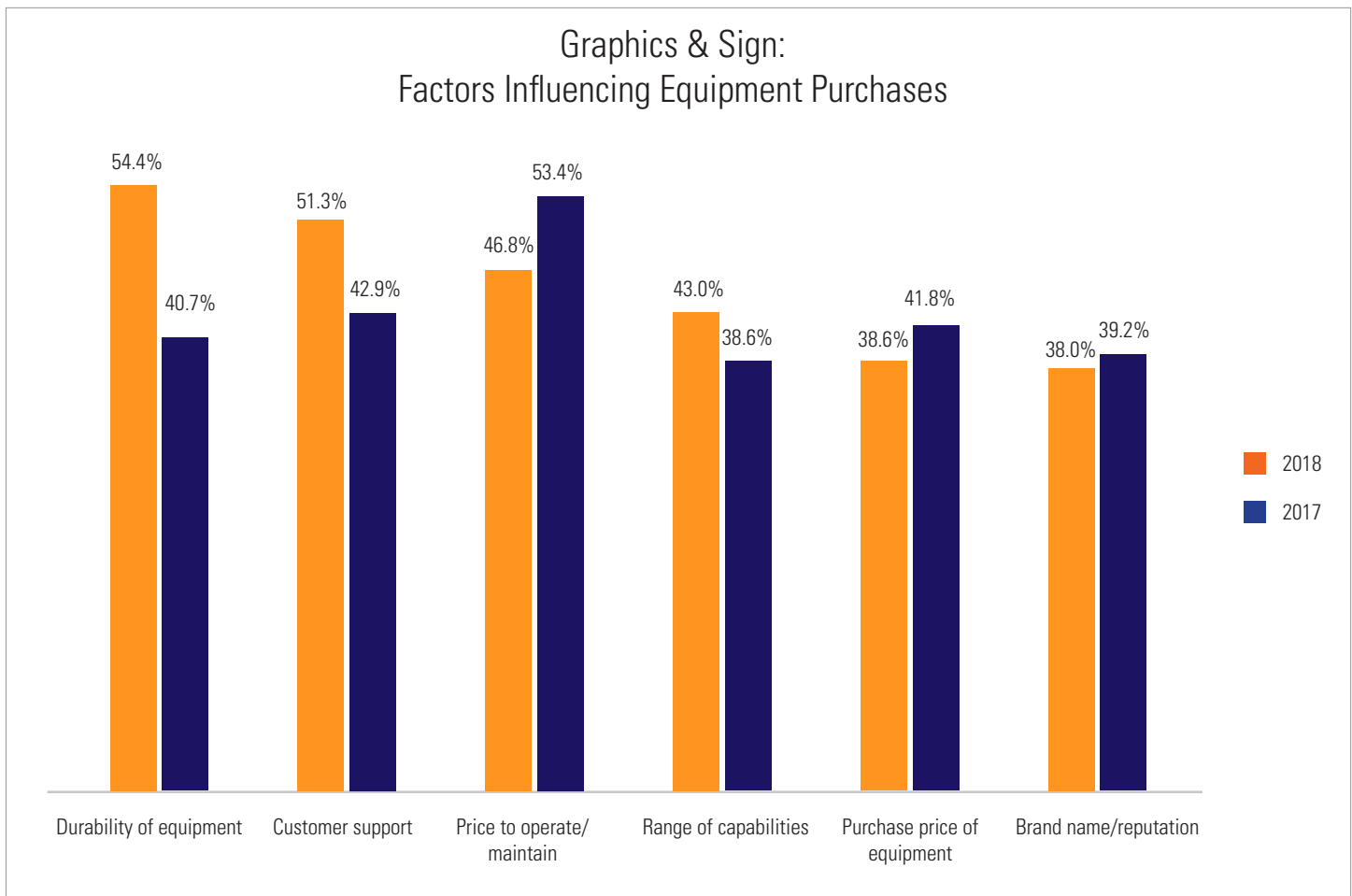
N=117

Table 21: Major contributing factors to the capital spending decision

Graphics & Sign: Major contributing factors to the capital spending decision	
Need to increase overall capacity utilization	45.5%
Increased demand for our products	43.4%
Need to replace other capital goods	40.4%
Capital investments due to new products or innovations in our processes	39.4%
Improved financial position allowing us to invest more in our business	29.3%
Reduced global economic uncertainty	2.0%

N=99

Graph 5: Factors Influencing Equipment Purchases



N=158

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Table 22: Payment Methods

Graphics & Sign: Payment Methods	2018	2017
Cash	57.1%	49.2%
Lease	46.7%	31.7%
Bank loan	45.7%	38.6%
Company credit card	40.0%	29.1%
Supplier financing	18.1%	17.5%
Personal credit card	12.4%	7.4%
Personal loan	4.8%	4.2%

N=105

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Markets and Products

The markets served by at least half of our respondents are: corporate branding (65.2%); retail (61.7%); architecture/construction (57.2%); non-profits, associations, organizations (56.7%); food services (54.7%); business-to-consumer (53.2%) and ad agencies (52.2%). However, the corporate branding, retail and architecture/construction markets showed a decline compared to the last year, especially the retail market (Table 23). When asked about the growth potential, at least half of the printers identified architecture, business-to-consumer and interior decorators as the growing markets.

Banners and window graphics continue to be the most popular product areas (Table 24). Three-quarters of printers (75%) believe that digital displays are still a product area with potential growth and about two-thirds (61.3%) consider vehicle wraps to be growing (Table 24). Pole signs, back-lit signs, fine art reproduction and trade shows/museum displays are declining, according to about 10% of respondents.

Table 23: Market Areas Served

Graphics & Sign: Market Areas Served	2018	2017	Growing	Stay the Same	Declining
Corporate branding	65.2%	70.9%	46.4%	50.4%	3.2%
Retail	61.7%	70.4%	37.4%	58.3%	4.3%
Architecture/construction	57.2%	61.4%	54.7%	43.4%	1.9%
Non-profits, associations, organizations (clubs, charities, churches, trade associations)	56.7%	57.7%	25.0%	66.3%	8.7%
Food services (restaurants, bars, cafes, cafeterias)	54.7%	60.3%	47.0%	48.0%	5.0%
Business-to-consumer	53.2%	50.3%	52.1%	44.8%	3.1%
Ad agencies	52.2%	58.7%	31.3%	58.3%	10.4%
Health care (hospitals, clinics, nursing homes, pharmacies)	49.8%	51.3%	46.7%	45.7%	7.6%
Athletic (teams, college, professional, recreational)	49.3%	45.5%	49.5%	47.3%	3.3%
Educational institutions (schools, colleges, tutoring)	49.3%	55.6%	44.1%	52.7%	3.2%
Transit/transportation	43.8%	43.9%	42.2%	53.0%	4.8%
Arts/entertainment	42.8%	50.3%	33.8%	61.3%	5.0%
Interior decorators and designers	42.8%	48.7%	51.9%	45.7%	2.5%
Printing for the trade	42.3%	46.6%	42.3%	42.3%	15.4%
Government & government contractors (law enforcement, military, other contracts)	40.3%	40.7%	26.7%	65.3%	8.0%
Exhibit manufacturers/contractors	36.8%	42.9%	38.2%	55.9%	5.9%
Hospitality services	35.3%	42.3%	34.4%	62.5%	3.1%
Manufacturing OEM (original equipment manufacturer)	31.3%	27.5%	30.5%	59.3%	10.2%
Financial/accounting/legal/insurance	30.8%	27.5%	12.5%	76.8%	10.7%
Communications	25.9%	22.8%	28.3%	67.4%	4.3%
Utilities	25.4%	25.4%	23.9%	73.9%	2.2%

N=201

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Table 24: Product Areas Served

Graphics & Sign: Product Areas served	2018	2017	Growing	Stay the Same	Declining
Banners/Soft Signage/Flags	86.6%	86.2%	46.5%	50.0%	3.5%
Window Graphics	80.1%	80.4%	52.2%	45.9%	1.9%
Label/Decal	67.2%	66.1%	40.6%	54.9%	4.5%
Posters/Presentation Graphics	67.2%	64.0%	34.4%	55.7%	9.9%
Wall/Architectural/Building Graphics	65.7%	68.3%	55.8%	41.1%	3.1%
Retail Graphics/"Point-of-Purchase" Displays	63.7%	68.3%	40.3%	53.2%	6.5%
Vehicle Wraps/Vehicle Graphics	60.7%	60.8%	61.3%	29.4%	9.2%
Fleet Graphics/Transit Graphics	58.2%	59.3%	48.7%	43.5%	7.8%
Back-Lit Signs	55.7%	64.6%	31.2%	59.6%	9.2%
Directional Signage/Directories	52.7%	55.0%	29.8%	66.3%	3.8%
Trade Show/Museum Displays	51.2%	54.5%	37.6%	51.5%	10.9%
Pole Signs	49.8%	50.3%	15.5%	71.1%	13.4%
Dimensional Signage	48.8%	53.4%	43.8%	55.2%	1.0%
Fine Art/Art Reproduction/Photo	34.3%	40.7%	32.8%	55.2%	11.9%
Digital Displays	28.9%	23.3%	75.0%	23.2%	1.8%

N=201

Credit Terms

Credit cards (94.9%) and checks (94.1%) are still the most frequently accepted types of payment. Phone and mobile payments are on the rise (33% increase since last year) (Table 25).

Table 25: Accepted Types of Payment

Graphics & Sign: Accepted Types of Payment	2018	2017
Credit Cards	94.9%	94.2%
Checks	94.1%	95.2%
Cash	79.7%	76.2%
Bank Wire Transfer	66.9%	65.6%
Debit Cards	60.2%	60.3%
Money Orders	25.4%	23.8%
Phone and Mobile Payments	24.6%	18.5%

N=118

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Standard credit terms seem to be increasing, as the number of those who require payment prior or at the time of delivery had declined by 23%, and the number of those who require 30 days payment had increased by about 9% (Table 26). This could mean the movement toward relationship building away from transaction-based operations, but time will tell.

Table 26: Standard Credit Terms

Graphics & Sign: Standard Credit Terms	2018	2017
Payment due prior to or at time of delivery	22.0%	28.6%
30 days	72.0%	66.1%
60 days	2.5%	3.2%
90 days	0.8%	0.5%
Other	2.5%	1.6%

N=118

The median percentage of accounts receivables had slightly decreased (from 8.2% in 2017 to 7.6% in 2018). This could be due to the fact that the number of those with no accounts receivables increased by 42% (Table 27).

Table 27: Percent of 2017 Accounts Receivable (as of January 1, 2018)

Graphics & Sign: Percent of 2017 Accounts Receivable	2018 (Median 7.6%)	2017 Median (8.2%)
0%	11.2%	7.9%
1%-10%	58.6%	58.7%
11%-20%	15.5%	16.4%
21%-30%	6.0%	13.8%
31%-40%	3.4%	1.6%
41%-50%	2.6%	1.6%
51%-60%	0.9%	0.0%
61%-70%	0.0%	0.0%
71%-80%	1.7%	0.0%

N=116

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Business Strategy

Finding new customers (51.6%) and downward pressure on prices (47.8%) are still considered the main barriers to growth. An increased number of respondents (65% increase) consider training a barrier to growth as well, but the recruiting and retaining of sales personnel appears to have become less problematic (25% decrease). Recruiting and retaining of production personnel, on the other hand, continues to be challenging for more than one-third of respondents (35.7%) (Table 28).

Table 28: Barriers to Growth

Graphics & Sign: Barriers to Growth	2018	2017
Finding new customers	51.6%	53.4%
Downward pressure on prices	47.8%	58.7%
Recruiting/retaining production personnel	35.7%	32.3%
Cost of new technology adoption	26.8%	30.7%
Recruiting/retaining sales personnel	24.8%	33.3%
Rising costs	24.8%	22.2%
Training employees	23.6%	14.3%
Finding new channels of distribution	15.3%	16.9%
Recruiting/retaining management personnel	10.8%	7.4%
Globalization (off-shoring, out-sourcing)	8.9%	6.3%
Understanding new technology	8.9%	5.3%
Obtaining financing for investment	5.7%	4.2%
Ability to secure credit/lines of credit	5.1%	7.4%
Environmental issues/regulations	2.5%	3.2%

N=157

The strategies in production are focused not only on cost-related strategies such as operating costs reduction and lean manufacturing, but on personnel training, services provided and production facilities used to the maximum (Table 29).

Table 29: Strategies in Production: Current vs. Future

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CURRENT Strategies in Production		FUTURE Strategies in Production	
Reduce operating costs	56.7%	Lean manufacturing/continuous improvement	24.8%
Lean manufacturing/continuous improvement	52.9%	Reduce operating costs	22.9%
Add new product lines	47.8%	Add new product lines	20.4%
Becoming a one-stop shop	47.1%	Employee appreciation/incentives	19.7%
Train staff	45.9%	Add imaging capacity	17.8%
Employee appreciation/incentives	36.3%	Add finishing capacity	17.8%
Add finishing capacity	27.4%	Train staff	17.8%
Add imaging capacity	26.8%	Add fulfillment capacity	17.2%
Workforce reorganization	26.8%	Workforce reorganization	15.9%
Add fulfillment capacity	21.0%	Becoming a one-stop shop	6.4%

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The favorite methods for attracting new customers are company websites (84.7%), referrals (76.6%) and social media (71.8%), followed by inside sales (63.7%) and networking events (63.7%). Direct mail (20.2%) and electronic communications (i.e., email) (18.5%) are on the rise as desired methods for the future, with outside sales (25.8%) still being the leader (Table 30).

Table 30: Methods for Attracting New Customers: Current vs. Future

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CURRENT Strategies for Attracting New Customers		FUTURE Strategies for Attracting New Customers	
Company website	84.7%	Outside sales	25.0%
Referrals	76.6%	Direct mail	20.2%
Social media	71.8%	Electronic communications	18.5%
Inside sales	63.7%	Social media	15.3%
Networking events	63.7%	Trade shows	14.5%
Electronic communications	49.2%	Onsite advertising	13.7%
Outside sales	46.8%	Pay-for-click advertising	13.7%
Trade shows	41.1%	Purchased banner ads	12.1%
Boards and civic organizations	39.5%	Purchased sales leads	11.3%
Online directory listings	29.8%	Boards and civic organizations	10.5%
Onsite advertising	25.8%	Networking events	10.5%
Pay-for-click advertising	21.8%	Inside sales	9.7%
Direct mail	18.5%	Company website	8.1%
Purchased banner ads	8.9%	Online directory listings	8.1%
Classified ads	5.6%	Referrals	6.5%
Purchased sales leads	4.8%	Classified ads	5.6%

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Topping the list of current strategies in management and sales is maximizing the value of current customers (60.5%), which goes along with improving customer service (47.6%). To attract new customers, companies tend to increase their internet presence (55.6%) and hire additional sales staff (48.4%). Developing new vertical markets (45.2%) is also important. For the future, the focus is on expansion and hiring additional sales staff (25.8%), and marketing budget increases (24.2%) serve the purpose (Table 31).

Table 31: Strategies in Management and Sales: Current vs. Future

Graphics & Sign			
CURRENT Strategies in Management and Sales		FUTURE Strategies in Management and Sales	
Maximize value of current customers	60.5%	Hire additional sales staff	25.8%
Increase Internet presence	55.6%	Increase marketing budget	24.2%
Hire additional sales staff	48.4%	Acquire another company	19.4%
Improve customer service	47.6%	Expand geographically	16.9%
Develop new vertical markets	45.2%	Develop new vertical markets	15.3%
Increase marketing budget	29.8%	Maximize value of current customers	15.3%
Acquire another company	24.2%	Improve customer service	13.7%
Expand geographically	23.4%	Increase Internet presence	12.1%
Marketing of sustainability efforts	15.3%	Marketing of sustainability efforts	11.3%
Reduce prices	9.7%	Merge with another company	9.7%
Create subsidiary	8.1%	Create subsidiary	7.3%
Merge with another company	5.6%	Reduce prices	4.0%

Facebook (66.9%) is still the leader among all social media choices followed by LinkedIn chosen by half of respondents (50%). The popularity of Instagram (41.9%) has increased by about 30% since last year.

Table 32: Social Media Platforms (Currently Used)

Graphics & Sign: Social Media Platforms (Currently Used)	
Facebook	66.9%
LinkedIn	50.0%
Instagram	41.9%
Twitter	32.3%
Google+	29.8%
YouTube	24.2%
Pinterest	16.1%
Tumblr	3.2%
Snapchat	2.4%

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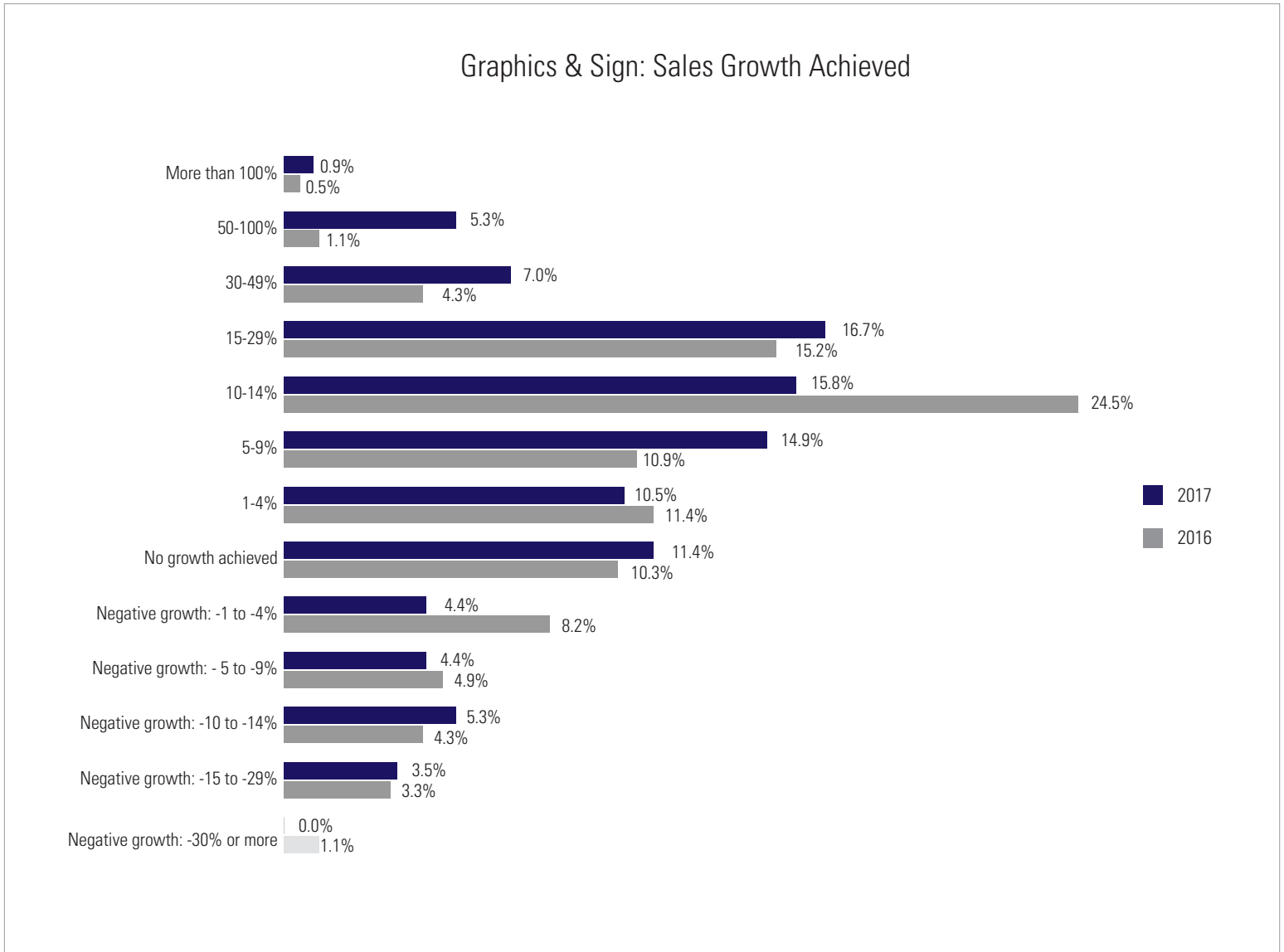
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Business Outlook

The median sales growth in the current year was 8.5%. The number of the companies with negative growth decreased by about 20%, and the number of companies with positive sales growth increased by 5% to reach 71.2%, which could mean that the industry is strong (Graph 6).

Graph 6: Sales Growth Achieved



N=118

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How do business indicators look? About two-thirds of the companies saw increases in sales (61.4%) and production (63.2%), and almost half (43.9%) saw increases in employment. The outlook from the future is promising, with four out of five printers expecting growth in sales and production, and at least every second expecting increases in employment and prices for goods sold (Table 33).

Table 33: Business Conditions

Graphics & Sign: Business Conditions	Current			Future		
	Decrease	Stay the Same	Increase	Decrease	Stay the Same	Increase
Sales	16.7%	21.9%	61.4%	3.5%	14.9%	81.6%
Production/amount of work	18.4%	18.4%	63.2%	3.5%	14.0%	82.5%
Employment	11.4%	44.7%	43.9%	2.6%	42.1%	55.3%
Prices for products sold	12.3%	57.9%	29.8%	6.1%	42.1%	51.8%

N=114

Sales and production are the two main areas of expected employment needs (Table 34).

Table 34: Expected Hiring Needs

Graphics & Sign: Will be hiring for...	
Sales Representative	50.8%
Graphic Designer	44.4%
Installer	42.9%
Customer Service Representative	34.9%
Digital Press Operator	33.3%
Estimator	27.0%
Post-Print Finishing/Fabrication	22.2%
Sales Manager	14.3%
General Manager	12.7%
Electronic Pre-press Operator	11.1%
Packing/Kitting/Shipping	11.1%

N=63

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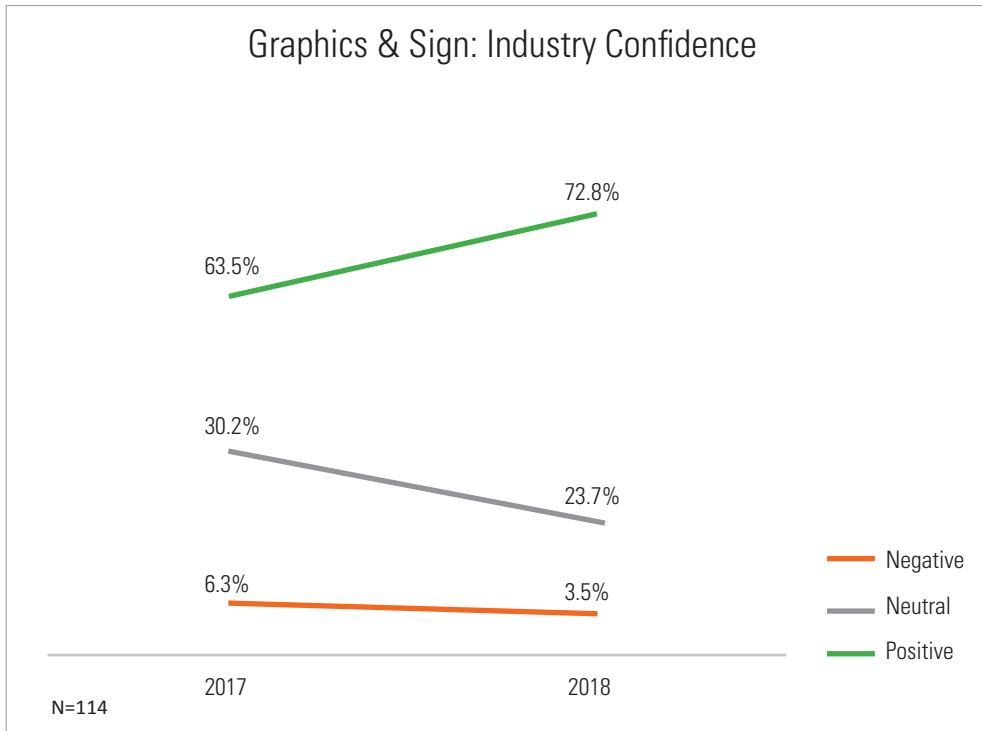
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Industry confidence is on the rise, as is confidence in the economy (Graphs 7 and 8). The number of printers who are positive about the industry (72.8%) has increased by 15% since last year, and those who are positive about the economy (62.3%) have increased by about 30%.

We believe that printers are confident about the industry growth. Our suggestion for printers would be to be open to new opportunities, to find the right fit for their abilities and market needs, and to build on their strengths to achieve success.

Graph 7: Industry Confidence



Graph 8: National Economy Confidence

