

~~Threat~~

Opportunity

TRENDS IN

PRODUCTION,
MARKETS AND
THE FUTURE



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Why has your business changed and why this must continue – or perish?

Firstly, let's look at the word change –

Verb: 1. make or become different. “a proposal to change the work we do” OR **2.** Take or use another instead of. “the equipment we have may have to change its original output to produce another product”

Noun: 1. an act or process through which something becomes different. “the change from a sign manufacturer to a graphic solutions provider”

The origin point for business failure can be defined by the organisation's inability to change. Why is change so difficult? Realistically, there is almost an infinite number of reasons why people struggle with change.

Without delving too deeply, here are a few ideas about the process of change for you to tackle:

1. People – are you ready to change?

Considering people are key to your operation, it is prudent to recognise that they also need to be developed and assisted to understand the change, especially as they make up a large percentage of your costs. Your ability to work with your team is paramount to the survival of your business.

- We have always done it this way – Old habits die hard, your challenge is to develop those who want change.
- People resist losing control – Many can work between being in control and following the pack – review your team.
- What's in it for me? WIITFM – Understand the process of change relative to the people involved and take time to educate them in the features and benefits for them.
- Exhaustion – Businesses which continually change without balance often leave the team behind or just wear them out.
- Insecurity – Stress often results from the unknown – keep your team informed appropriately.
- Reduction in power or loss of prestige – many fear change will reduce their skills, leave them feeling silly or inadequate or lower their self-esteem.

2. Equipment – output increases that will take your breath away

Over the last three decades we have seen a rate of change that I would like to propose is at least a 3000 percent increase multiple from the starting point in signage including wide format, while in small format print its many times more!

Lets look at the game changers over the last few decades:

1. Sign Writing to Vinyl Lettering – Sign manufacture for decades was performed using traditional techniques. Then from the early 80's we observed traditional hand sign-making skills that would normally take 1 1/2 hours for say 1m2 of normal lettering reduced to around 10 minutes. That is a changed increase in output of 900 percent.





2. Vinyl Letters to Digital Print – Moving to the late 90s and we witnessed the development of wide format digital printing equipment. Initially with an output of approximately 1m² per hour then rapidly increase to around 80 m² per hour for what are now termed – commercial low volume printers – just like most small sign shops use. Or double that for mid range to high volume printers – let's just say a 200 percent increase.

3. Offset Print to Small Format Print – Even a casual observer has to conclude that this area has been in parallel to the revolution that has taken place in Sign and Wide format. The operators have been immersed in introducing totally new technologies. Its fair to say most of those who have embraced change are the market leaders. While those who haven't are languishing, merging, gone out of business or still have a niche market they survive in. Yes, it's obvious that technologies have merged the Print Industry and the Sign Industry. Validated by the intelligent merger of GAMAA and VISA – who can better serve their members and the changing Industry by embracing change – Well done I say!

4. What next – hang on to your hat: I put to you, that it is not just about vinyl letters or wide format digitally printed signs at a per m² rate. If you peek wider afield – with emerging printer head technologies like waterfall or other patented technologies, it's highly likely to break through the 500m² to 1000+ m² rate over the next few years.

You can rest assured that many heavy weight international and local equipment suppliers will continue to dazzle us with further leaps forward in speed and quality – but what about other applications? Trust me, they are already on the drawing board or in prototype.

Ok, now we have a new ever-merging Industry dubbed “The Print, Sign and Graphic Industry”.

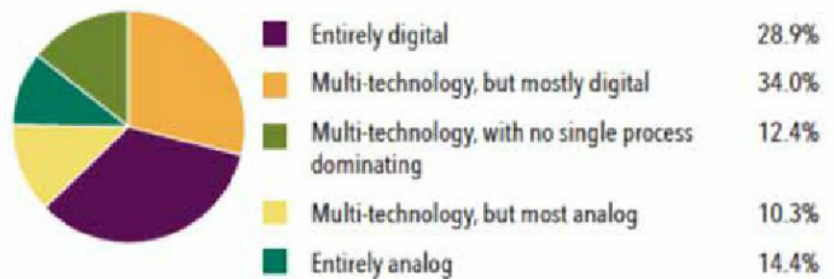
I suggest this is not the end point, but the acknowledgement of the start of a new beginning – are you ready?

You can console and justify yourself with this comment – Well, you made it so far, so forearmed is the very start of enjoying the road ahead.

Technology Mix 2014



Technology Mix 2013



3. Market areas – which sector can deliver profit and growth to your business?

I suggest it's safe to say many existing business models are under threat – that is an accepted fact. Your accrued business knowledge has witnessed many changes, increased business collapses, people struggling with what they once produced and assessing its current relevancy. Many are taking the easy route – just spending their days complaining! Hmm, maybe the dinosaurs complained about their changing circumstances too?

This is a GREAT thing for those who love change!

Answer these questions –

1. "Is your business ready to find new markets and develop customers in this brave new world?"
2. "If your business model is proven and tested, ask yourself 'will my methods work for 2020 – that's only five years away?'"

In a recent USA survey by highly respected SGIA (sorry, no such surveys are available in this region, however, as we

“ THEREFORE YOUR CHALLENGE IS TO UNDERSTAND THE GROWING MARKETS AND CAPITALIZE ON THEM. THE FULL EVOLUTION OF DISRUPTIVE TECHNOLOGY IS INCREASING ITS HOLD MORE RAPIDLY. ”

generally follow closely, it's fair to accept this benchmark). There is much you can take home from these figures, however, for me the standout is the continuance of a 10 percent swing to entirely digital – therefore what is the next phase of digital?

That is THE BIG Question?

Therefore your challenge is to understand the growing markets and capitalize on them. The full evolution of disruptive technology is increasing its hold more rapidly.

Therefore your challenge is, which of



the rapidly evolving markets in digital technology are for you and your clients?

- **3D or Additive printing** – imagine a wide format 3D printer printing out an illuminated sign cabinet, show assessing case. I was at a customer premise recently and they needed a bracket to wall hang a sign – YES, they 3D printed it!
- **Soft Signage** – this has been evolving and the future is unlimited.
- **Digital Advertising** – sure, it's been around for a while, however, largely at the top end of town.
- **Emerging digital printer trends** – The 'sign and graphics markets' are a fraction of areas like the décor market place or packaging.

My glimpse into the future – the market needs agile, innovative and market focused entrepreneurs, who will immerse themselves in the client's problem and become their ultimate graphic solutions provider.

4. How can your management style tackle the increasing challenges that technology and compliance is pushing you to accept?

Yes, I will show a bias in this simple statement – if you are not using computer software to develop your quotes, manage your job sheets, balance your production, integrate your marketing, produce your accounts and virtually every area of your work flow – why not?

Simply put, if you can't find a job for a banner in seconds, with the artwork and customer linked, well, you are burning money.

Likewise, compliance in all western countries is the new conundrum that people in the sign and print business have pretended to ignore. Let me offer you a reality check.

In the light of recent WHS prosecutions in Melbourne and other high profile sign businesses being fined a large sum of money, it's time to understand this high profile case will impact on you directly.

The simple reality is this case, with fines around \$250,000, will more than likely



lead to criminal charges and potentially prison time. Ignorance is not an excuse. WHS has been around for decades, and you need to act comprehensively – right now.

There are simple, effective methods to deliver compliance across the broader areas of your business. You need to become a part of the solution and see this very clearly. WHS systems are NOT a burden they are the law, therefore isn't the most intelligent option to integrate WHS, just like your business management software, into a daily routine and see it as a productivity tool. If you think that you can continue to avoid compliance and you can offer a million reasons why – then more than likely you are acknowledging that you are breaking the law.

5. Where in your future plans are pathways that develop the real benefits for you, your business and your clients.

Perhaps the key to the entire article and if I may be so bold – your future business? Once again I challenge you to consider this simple statement – “the business which has the best relationship with the customer will triumph.”

This area is all about your understanding and listening to your customers' needs. Well, you say 'that's nothing new' and yes I agree. However, in the coming years we will see massive changes in technologies, speed of production and increased range of opportunities...are these for you, or will you let them slide by?

I offer just a few glimpses into the range of choices you need to make.....these are just a few:

- Have a clear vision for the business output you will make, as without this you won't know what kind of services and products to identify and develop for your customers.
- Decide what you want out of your business, define your products and

requirements – then develop your customer base around that vision.

- What role does your business play in adding value to your customers' business?
- Is your business just a supplier or should you forge a logistics partnership – where your products, services and quality actually become part of your customer's vital lifeline?
- Perhaps your future lies in ecommerce –offer personalised e-ordering whereby the ordering portal you have developed once again is a part of your customers' vital lifeline?
- Define the potential to increase the economic value of the business and decide are you pull or push? By way of simple explanation “A customer wants to buy a product (pull), and your business (push) will satisfy the customer's needs. Is this a sustainable model for the future for you? Or should you pull?”
- Define any potential barriers which could arise to hinder a successful outcome – make a list.
- Do you have any fears and/or doubts? Make a list.
- Is there a transition phase, to change your marketing direction?

Put plans in place for managing the marketing and sales process, create policies that build trust and respect and connect with the right people within your customers' business.

» SUMMARY AND HOW TO MOVE FORWARD

The smart and easy path is to bring in an expert! Why? One of the most emotionally charged business environments you will ever find yourself in is being unstoppable and committed to reinvent a process you are comfortable with!

We would like to offer you a step up, we have a comprehensive worksheet available and we do offer assistance to help you understanding your options. Ask for the “future trends” worksheet. The worksheet is available free to the first 25 people who email john@controlzone.com.au – call us now on free call 1300 546 276.