

SIX PRINT JOBS THAT CAN HELP YOU GROW YOUR MARGINS



INTRODUCTION

Large-format printing continues to be largely profitable, but many easier, more common core applications—banners, posters, etc.—are becoming commoditized. Print service providers who concentrate on high-value jobs are those who are positioned to capture higher gross margins moving forward.

At HP, we recently conducted a study in July 2020, that analyzed 100 print service providers (PSPs) across the U.S., Germany, and India to evaluate the industry's most profitable applications². The results revealed that some applications are simply worth more—both to customers and to the bottom line.

We also discovered that many PSPs frequently end up outsourcing these in-demand, high-value applications.

In the following pages, you can uncover detailed insights revealed by our investigation, as well as some of the key ways in which the HP Latex 700 and 800 Printers can help you apply these insights by taking on more jobs, doing more in-house, lowering costs, driving margins, and increasing turnarounds.

² Qualitative survey with screen sharing (approximately 30 minutes) using computer-assisted telephone interviewing, a telephone surveying technique in which the interviewer follows a script provided by a software application, allowing respondents to see questions and stimuli on-screen as each question is asked. Respondents were provided examples of jobs with descriptions, then asked 1) How much would they charge?; 2) What is the expected print margin?; 3) Is this the type of job you would outsource?



Substrate

Easy-to-install transparent self-adhesive vinyl with white ink in spot white mode



KEY INSIGHTS

- Contour-cut window display was rated by print service providers as the highest-value print job
- Contour-cut window graphics garner much higher gross margins for print service providers, especially with white ink on transparent self-adhesive vinyl. This application can drive **increased profitability by** up to 10 percentage points³.

Benefits of printing with the HP Latex 700 W and 800 W Printers:

- A high-opacity white that resists yellowing over time⁴
- Flexible ink enables easy installation
- Enjoy HP's innovative white ink system with automatic recirculation and printhead cleaning that helps avoid clogs and reduce manual purging
- Produce odorless² prints for indoor spaces

²There is a broad set of media with very different odor profiles. Some of the media can affect the odor performance of the final print.

³ Reported company average gross margin overall: 31.5%. Contour-cut window displays with white ink: 44%.

⁴ White ink available for the HP Latex 700 W and 800 W Printers. Whitest white based on ISO/DIS 23498 compared to competitive alternatives using solvent and UV technologies under \$50,000 USD as of May 2020. Test performed on black opaque self-adhesive vinyl (L*.4.16 – a:0,48-b:2,34) with 160% UF printmode using HP 832 1-liter White Latex Ink Cartridge with the HP Latex 700 W Printer and HP Latex 873 3-liter White Latex Ink Cartridge with the HP Latex 800 W Printer. Visual opacity = 91%.



WINDOW STICKERS

Substrate

Transparent self-adhesive film with white ink in overflood mode

KEY INSIGHTS

- Window stickers yield high gross margins and high price points⁵
- Achieve better color rendering on **translucent** and **transparent supports** using white ink in this type of application

Benefits of printing with the HP Latex 700 W and 800 W Printers:

- A high-opacity white that resists yellowing over time⁶
- · Flexible ink enables easy installation
- Print and contour cut borderless graphics without curling
- Excellent results on clear self-adhesive film with front-to-back registration

⁵ Reported company average gross margin overall: 31.5%. Window stickers, 2 layers: 39%.

⁶ White ink available for the HP Latex 700 W and 800 W Printers. Whitest white based on ISO/DIS 23498 compared to competitive alternatives using solvent and UV technologies under \$50,000 USD as of May 2020. Test performed on black opaque self-adhesive vinyl (L*.4.16 – a:0,48-b:2,34) with 160% UF printmode using HP 832 1-liter White Latex Ink Cartridge with the HP Latex 700 W Printer and HP 873 3-liter White Latex Ink Cartridge with the HP Latex 800 W Printer. Visual opacity = 91%.

SEG BACKLIT DISPLAYS

Substrate

Polyester backlit fabric with silicone edge



KEY INSIGHTS

- Leading high-margin product that is often outsourced⁷
- High print volume driver⁸

Benefits of printing with the HP Latex 700 and 800 Printer series:

- Vivid colors at high speed and striking contrast using pure blacks
- Produce odorless prints⁹
- Print directly on polyester, cotton, and porous¹⁰ fabrics with or without inkjet coating
- Enjoy hassle-free textile printing with the ink collector¹⁰

⁷ Reported company average gross margin overall: 31.5%. SEG backlit displays: 40%.

⁸ Ranked fifth as application that accounts for the highest print volume, 2019 and ranked as the top print volume driver by 24% of respondents.

⁹ There is a broad set of media with very different odor profiles. Some of the media can affect the odor performance of the final print.

¹⁰ Performance may vary depending on media—for more information, see hp.com/go/mediasolutionslocator. For best results, use textiles that do not stretch. The optional ink collector is required for porous textiles.

INDOOR WALL-COVERING PANELS FOR RETAIL OR DECORATION

Substrate

Self-adhesive vinyl or wallpaper



KEY INSIGHTS

- Commands above-average margins¹¹ and drives print volumes¹²
- A high-demand application that is often outsourced¹³

Benefits of printing with the HP Latex 700 and 800 Printer series:

- · Inks with high pigment load deliver vivid colors at high speed
- Color consistency and length repeatability between tiles
- Excellent gray neutrality
- Use water-based Original HP Latex Inks for wallcoverings with the environmental certifications that matter to your customers¹⁴

¹¹ Reported company average gross margin overall: 31.5%. Indoor wallcoverings panels: 35%.

¹² Ranked fourth as application that accounts for the highest print volume, 2019 and ranked as the top print volume driver by 28% of respondents...

¹³ Respondents report approximately 36% of indoor wallcovering work is outsourced (all or in part).

¹⁴ UL ECOLOGO® Certification to UL 2801 demonstrates that an ink meets a range of multi-attribute, lifecycle-based stringent criteria related to human health and environmental considerations (see ul.com/EL). UL GREENGUARD Gold Certification to UL 2818 demonstrates that products are certified to UL's GREENGUARD standards for low chemical emissions into indoor air during product usage. Unrestricted room size—full decorated room, 33.4 m² (360 ft²) in an office environment, 94.6 m² (1,018 ft²) in a classroom environment. For more information, visit ul.com/gg.

FLOOR GRAPHICS

Substrate

Matte self-adhesive vinyl



KEY INSIGHTS

- Solid, above-average gross margins¹⁵
- One of the year's most in-demand applications¹⁶ for health signage, retail, and public spaces
- Nearly one-fifth of floor applications are outsourced¹⁷

Benefits of printing with the HP Latex 700 and 800 Printer Series:

- · Can skip the overcoat when laminating
- Help avoid short-term lamination with HP Latex Overcoat¹⁸

¹⁵ Reported company average gross margin overall: 31.5%. Indoor/outdoor floor graphics: 34%.

 $^{^{16}}$ Ranked first as application that will see the highest increase in demand, by 24% of respondents.

¹⁷ Respondents report approximately 20% of floor graphics work is outsourced (all or in part).

¹⁸ HP Latex Overcoat improves scratch resistance on low-cost prints where lamination may be impractical or too expensive. Scratch resistance based on internal HP testing in December 2019 based on ISO1518-2:2011. Estimates by HP Media Performance Lab on a range of media.

STRETCHED CANVAS

Substrate

Canvas



KEY INSIGHTS

- One of the top three volume drivers with high gross margins¹⁹
- Often outsourced²⁰

Benefits of printing with the HP Latex 700 and 800 Printer Series:

- Print saturated images at speeds up to 25 m²/hr (269 ft²/hr) indoor²¹
- Flexible HP Latex Inks help avoid cracking when folding edges
- Tap into decorative prints with water-based HP Latex Inks

¹⁹ Reported company average gross margin overall: 31.5%. Stretched canvas: 34%.

²⁰ Respondents report approximately 46% of floor graphics work is outsourced (all or in part).

²¹ 25 m²/hr (269 ft²/hr) indoor applicable to the HP Latex 800 Printer series. Indoor mode (SAV) 6-pass, 100%. Based on internal HP testing in September 2020 on Avery 3001. Print speed may vary due to the adaptive printing mechanism to avoid image quality defects.

ADDITIONAL APPLICATIONS

In addition to these high-value applications, you can carry out other print applications with excellent results with the **HP Latex 700 and 800 Printer series**.





Vehicle Wrapping

 Prints come out dry, ready for immediate lamination. A flexible HP Latex Ink layer helps facilitate installation. 3M™ MCS™ Warranty and 3M and Avery ICS Performance Guarantee.²²

Backlit Polyester Film

 Saturated color at speed, get striking contrast using pure blacks.

Frontlit PVC-free Banner

 HP Latex Technology and non-PVC banners—an ideal combination!

Scratch-resistant prints with the HP Latex Overcoat.²³





Poster Paper

 Excellent quality, even on traditional offset papers.

Non-woven PVC-free Coated Wallpaper

 Use water-based Original HP Latex Inks for wallcoverings with the certifications that matter.²⁴

Stickers and Labels

- Sharp 4-point text
- Cut borderless stickers without curling.

²² Warranty coverage varies by region, please see graphics.averydennison.com and 3Mgraphics.com for information about what is offered in your country. Some warranty limitations may apply.

²³ HP Latex Overcoat improves scratch resistance on low-cost prints where lamination may be impractical or too expensive. Scratch resistance based on internal HP testing in December 2019 based on ISO1518-2:2011. Estimates by HP Media Performance Lab on a range of media.

²⁴ UL ECOLOGO® Certification to UL 2801 demonstrates that an ink meets a range of multi-attribute, lifecycle-based stringent criteria related to human health and environmental considerations (see ul.com/EL). UL GREENGUARD Gold Certification to UL 2818 demonstrates that products are certified to UL's GREENGUARD standards for low chemical emissions into indoor air during product usage. Unrestricted room size—full decorated room, 33.4 m² (360 ft²) in an office environment, 94.6 m² (1,018 ft²) in a classroom environment. For more information, visit ul.com/gg.



Our study found that **nearly twice as many of the top high-margin print jobs**—window graphics, short-term textiles, and backlit graphics—**are done with HP latex,** reflecting the technology's unique competitive advantages for printing signage and decor, as well as its excellent white ink capabilities.

This research shows that HP Latex is the **technology of choice for the industry's top high-margin applications**, helping print service providers to take on more jobs, outsource less, and do more inhouse, so they can drive an average **gross margin higher than 30%**²⁵.

The latest generation of HP Latex printers—the HP Latex 700 and 800 Printer series—radically improves the customer experience, helping businesses ignite business growth and adapt to future needs. Help boost your margins, up your profit, and unlock new value with the HP Latex 700 and 800 Printer series—today's solid investment

Learn more at: hp.com/go/latex800printer

²⁵ For the highest margin applications identified in the research (up to 44% gross margin), an average of 60% of respondents said that they use HP Latex Technology to produce those applications vs other printing technologies.

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