



Reduce Print Expenditures
WHITE PAPER



REDUCE YOUR PRINT EXPENDITURES? EASY AS 1-2-3

Let's face it. Printed sales and marketing collateral is still king in the business-to-business world. Developing and printing brochures and sales sheets can chew up as much as 60% of a business-to-business marketing budget. If you're like most, you've been unable to secure an increase in your marketing budget for several years. It's more likely you've been asked to deliver more results with less money. Not fair - but life ain't fair.

So what do you do? Before cutting your PR or eliminating your Web budget, you look for places to save. One budget area ripe for cost savings is printing. Try these three steps and watch your annual printing expenditures decrease by as much as 30% to 40%.

1) GET TO KNOW YOUR PRINTING SOURCES

Clint Eastwood's Dirty Harry says, "A man's got to know his limitations." That's true in evaluating your printers. Some printers excel at large run, multi-color brochures while others make hay on short-run one- or two-color jobs. The digital printer down the street may be competitive for short-run four-color projects but too expensive on longer runs. Visit your printers and get to know what they're best at. Then classify your print jobs by number of colors, quantity and required quality and make sure you get quotes only from printers qualified for your job. Matching capabilities to job type will ensure you're getting the best product at the right price.

2) GET THREE QUOTES

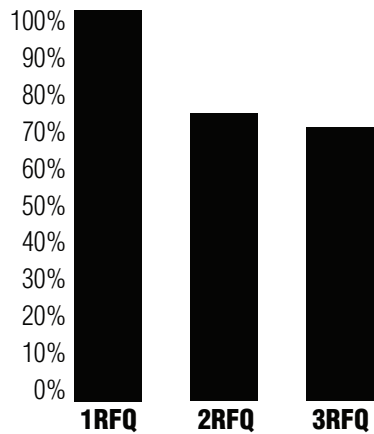
Once you've qualified and categorized your printers, make them compete. Whether you manage your printing directly or your agency does, you owe it to yourself to demand three quotes for every printing job. Seems obvious enough, but it's even better than you think. This is the rationale:

The highly fragmented commercial printing market will continue to operate under capacity. This results in highly competitive pricing. Commercial print pricing fluctuates depending on printer capacity. Due to the high fixed-cost structure of the printing business, print pricing increases when printers are busy and decreases when they are not.

Many commercial printers will offer additional discounts if they can print on press availability – a term that means printers can print at their convenience to fill press time. If you're not in a hurry, you can realize an additional 15% to 20% savings by printing on press availability.

The following graph illustrates the cost-saving effect of soliciting multiple bids from a qualified supplier base.

TYPICAL PRICE VARIANCE WHEN REQUESTING MULTIPLE QUOTES FOR COMMERCIAL PRINTING



(Source: EFI Print Management Solutions, formerly Printcafe)

Don't let your print buyer get lazy. You owe it to yourself to make sure you're getting the best available pricing.

3) MANAGE AND TRACK LITERATURE USAGE

It's not as hard as it sounds. In today's Internet and database-driven world, literature requests and shipments can be easily and systematically tracked and monitored. Once you develop a usage history, use it to:

- Determine reprint quantities that correlate to usage. Don't print 10,000 brochures just because you printed 10,000 previously. According to industry statistics, 30% of all printed collateral goes to waste. By matching your reprint quantity to anticipated usage based on history, you can avoid wasting money on overprinting.
- Match the printing method to the printing quantity. Just because you printed commercial offset the first time doesn't mean you have to the next time. Often the first printing of a new item requires a large initial distribution. Monthly usage reports will tell you what you need to do for subsequent printings. If usage reports show decreased demand, consider lower cost alternatives such as laser printing or digital offset.
- Eliminate printing. If only a handful of people are using an item, stop printing it. If it's not a hot item, chances are a high quality, commercially printed piece isn't necessary. Make it available by download only. Users can then print it from their desktop. Aggressive management of this three-step process could easily save \$50,000 or more on a \$1 million dollar budget. Certainly you can think of something useful to do with this found money.



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