

UK PRINTING THE FACTS & FIGURES



WORLD'S FIFTH
LARGEST PRODUCER OF PRINTED PRODUCTS



£13.8 BILLION
TURNOVER



116,000
EMPLOYEES



8,400
COMPANIES



£5.8 BILLION
GROSS VALUE ADDED



£700 MILLION
P.A. CAPITAL INVESTMENT



£775 MILLION
POSITIVE TRADE BALANCE IN 2016

WHAT IS **PRINTING**?

IT'S ALMOST
IMPOSSIBLE
TO IMAGINE A
WORLD WITHOUT
PRINT. IT'S ALL
AROUND US AND
PLAYS A VITAL
ROLE IN OUR
DAILY LIVES.



Print is largely produced using sustainable materials. It is predominantly paper-based, 80% of which is sourced from European forests - which are growing by over 1,500 football pitches every day! Printing companies are at the forefront of improvements in environmental performance in manufacturing, with high levels of take-up for both the ISO 14001 environmental management standard and for FSC and PEFC chain of custody accreditations.



Print is highly effective. It provides the means to communicate 'messages' easily, quickly and cheaply.



Print has impact. It is creative, it engages, it is versatile and it is persuasive.



Print has longevity and authority. It is tactile and offers a 'real world' experience. It has a unique ability to grab and hold people's attention. In fact no other media channel can offer this combination of qualities.



Print is an important vehicle for advertising, education, entertainment and information. It serves all parts of the UK economy - including central and local government, financial services, retailing, distribution, travel and tourism and manufacturing industries.



Print is an advanced manufacturing sector. It utilises cutting edge information and production technologies.



Print can be interactive and integrated. The use of Augmented Reality and Near-Field Communications offers the opportunity to increase the engagement between consumers and brands and enhance the effectiveness of marketing campaigns.

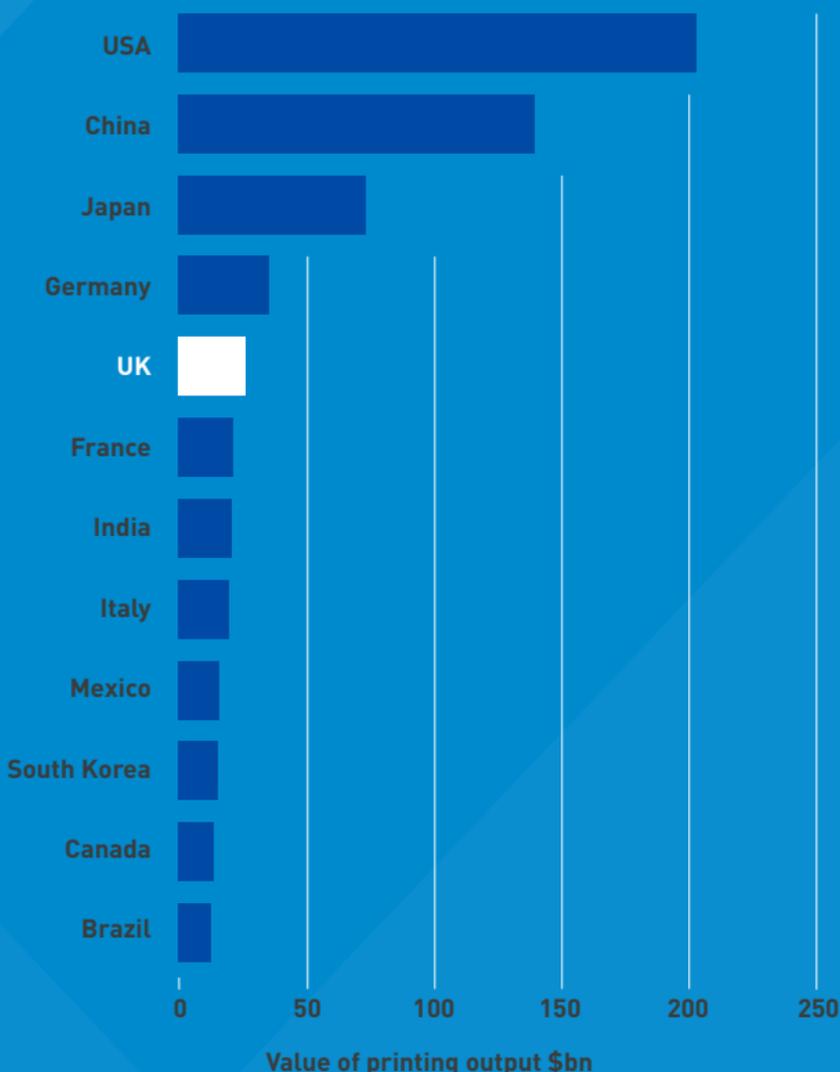
Source: Two Sides, www.twosides.info

ECONOMIC IMPORTANCE

WITH A TURNOVER OF £13.8 BILLION, GROSS VALUE ADDED OF £5.8 BILLION AND EMPLOYING AROUND 116,000 PEOPLE IN 8,400 COMPANIES, THE UK PRINTING SECTOR IS AN IMPORTANT ECONOMIC CONTRIBUTOR AND EMPLOYER IN ALL UK REGIONS.

The UK is the fifth largest producer of printed products in the world; printed matter contributed £775 million to the UK's balance of trade in 2016.

THE UK IS THE FIFTH LARGEST PRINTING COUNTRY IN THE WORLD



Source: Smithers Pira - data for 2016, www.smitherspira.com/industry-market-reports

REGIONAL UK PRINTING

UK PRINTING - 2016

Companies, Employment, Turnover.



North East

Companies: 243
Employment: 4,980
Turnover*: 753,725

East

Companies: 988
Employment: 13,718
Turnover*: 1,633,662

England

Companies: 7,532
Employment: 103,694
Turnover*: 12,405,965

North West

Companies: 836
Employment: 12,657
Turnover*: 1,430,420

London

Companies: 1,223
Employment: 12,428
Turnover*: 1,588,435

Scotland

Companies: 408
Employment: 5,505
Turnover*: 553,931

Yorkshire & The Humber

Companies: 747
Employment: 14,537
Turnover*: 1,743,552

South East

Companies: 1,295
Employment: 15,123
Turnover*: 1,827,016

Wales

Companies: 307
Employment: 4,601
Turnover*: 578,206

East Midlands

Companies: 748
Employment: 12,159
Turnover*: 1,441,681

South West

Companies: 763
Employment: 9,904
Turnover*: 1,097,323

Northern Ireland

Companies: 154
Employment: 2,145
Turnover*: 261,760

West Midlands

Companies: 689
Employment: 8,188
Turnover*: 890,151

UK

Companies: 8,401
Employment: 115,945
Turnover*: 13,799,862

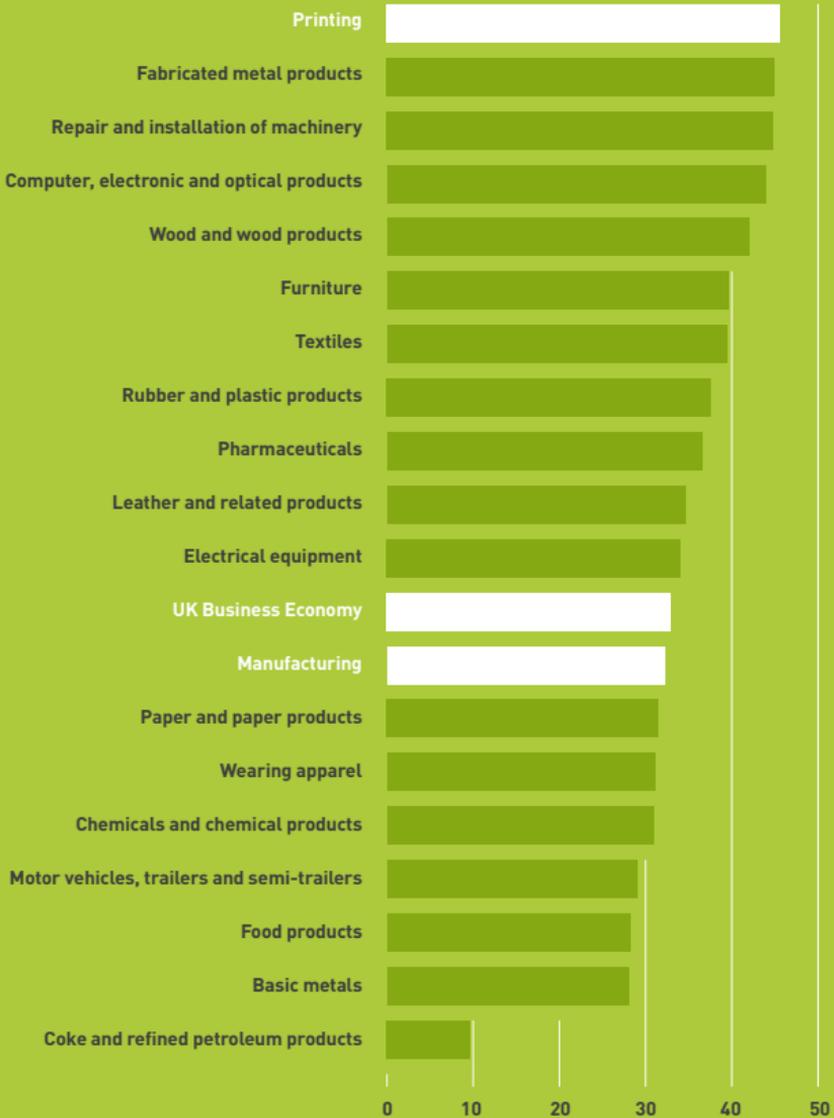
Source: BPIF Research analysis of ONS data for 2016

*Turnover shown is £000s

VALUE ADDED IN PRINT

PRINTING ADDS RELATIVELY MORE VALUE THAN ANY OTHER MANUFACTURING INDUSTRY.

GVA (GROSS VALUE ADDED) AS A % OF TURNOVER



Gross Value Added (GVA) represents the amount that individual businesses, industries or sectors contribute to the economy. It is the difference between the value of goods and services produced by businesses (output), and the cost of raw materials and other inputs which are used up in production of those goods and services (intermediate consumption). Here, **GVA** is what the industry adds in value by its activities - essentially its direct contribution to the UK economy. **GVA as a % of turnover** is calculated to show the performance of each sector, relative to its size.

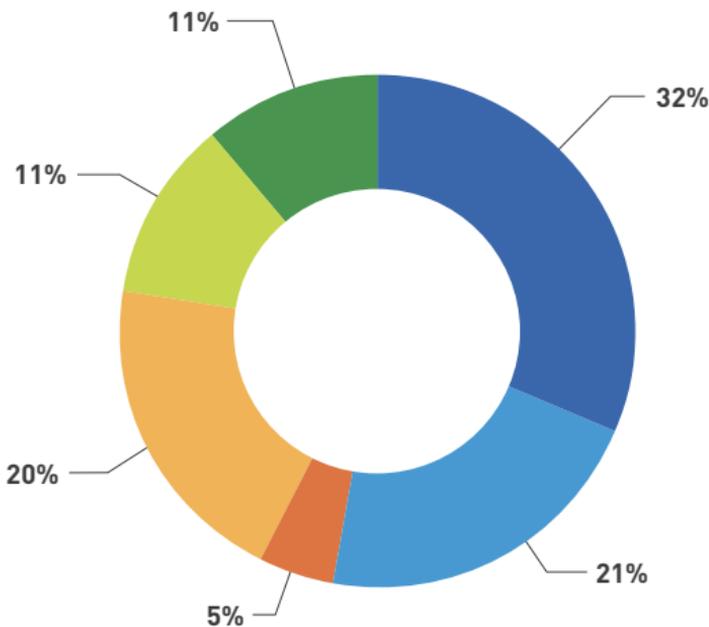
Source: ONS, Annual Business Survey - November 2016

PRODUCTS BY SECTOR

THE VAST MAJORITY OF PRINTED PRODUCTS HAVE AN IMPACT ON MARKETING.

The relationship is vital - not just for the directly related point-of-sale, direct mail and poster advertising material but also in the channels provided through newspapers, magazines and brochures; brand identity on printed packaging and labels; and, even the additional programme and ticket marketing collateral surrounding events.

TURNOVER SHARE BY PRODUCT SECTOR - MARKETING IS IMPORTANT WITH A SIGNIFICANT DIRECT AND INDIRECT IMPACT



- Advertising literature, business stationery, event programmes, tickets etc.
- Newspapers, magazines, books, brochures etc.
- Security printing
- Printed packaging (cartons and labels)
- Printing onto non-paper/board
- Other printing

Source: BPIF Research analysis of ONS PRODCOM data for 2015

WHY PRINT MEDIA?

ADD PRINT, ADD POWER

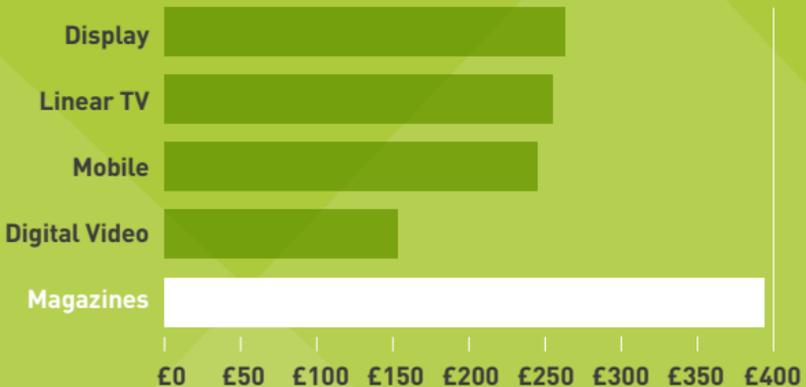
Print is the ideal marketing medium: it's available in both large and small numbers, can be accessed easily, and is engaging, versatile and creative. Each type of print media has its own unique quality and role. Newspapers become part of their readers' day as they educate and inform with credibility and trust; consumer and customer magazines create engagement through entertaining content; direct mail uses its ability to gain access to people's homes and lives to deliver a targeted sales message; door drops have an enviable reach and ROI and catalogues provide inspiration for customers before leading them online to make the purchase. On their own, each channel fulfils a vital marketing role. When combined with other media, they are a highly effective force for any campaign, for any brand.

Source: Print Power, www.printpower.eu

PRINT DELIVERS GREATEST RETURN ON ADVERTISING EXPENDITURE

New research from Nielsen Catalina Solutions (NCS) has established benchmarks that detail the expected return on ad spend based on media type. **Return on advertising spend (ROAS)** measures the incremental sales lift driven by the advertising for the amount that was spent on the ads. This factors in the economics of the media. Unlike ROI, which accounts for margin, it's a pure advertising metric. Since the price of media is central to measuring ROAS, media cost has an impact on the results, and the impact varies greatly across medium. Looking at all studies across measured media types and categories; magazines have the highest ROAS.

ROAS INDEX - EVERY £100 SPENT ON MAGAZINE ADS DELIVERS EXTRA SALES OF £394*



Source: Nielsen Catalina Solutions, Multi-Media Sales Effect Studies from 2004 - 2015

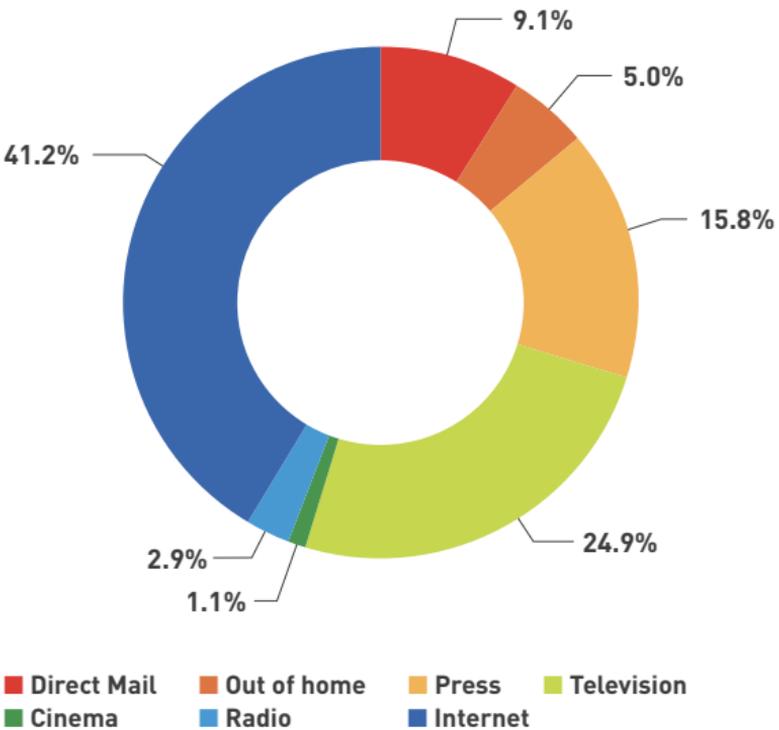
*Original research was reported in US Dollars

ADVERTISING IN PRINT

THE INTERNET HAS BECOME THE TOP RANKED MEDIA IN TERMS OF SHARE (41.2%). HOWEVER, PRINTED MEDIA (DIRECT MAIL, OUT OF HOME AND PRESS) IS SECOND (29.9%). AND, OF COURSE, THE INTERNET FIGURES DO INCLUDE DIGITAL EXPENDITURE BY NEWS AND MAGAZINE BRANDS.

While print media has been under threat from the rapidly growing internet sector, the latest Advertising Association / Warc Expenditure Report reveals that advertising expenditure grew by 8.1% in 2015, and is forecasted to grow by 4.4% in 2016 and 3.2% in 2017.

UK ADVERTISING EXPENDITURE 2015, % SHARE OF £21.1 BILLION

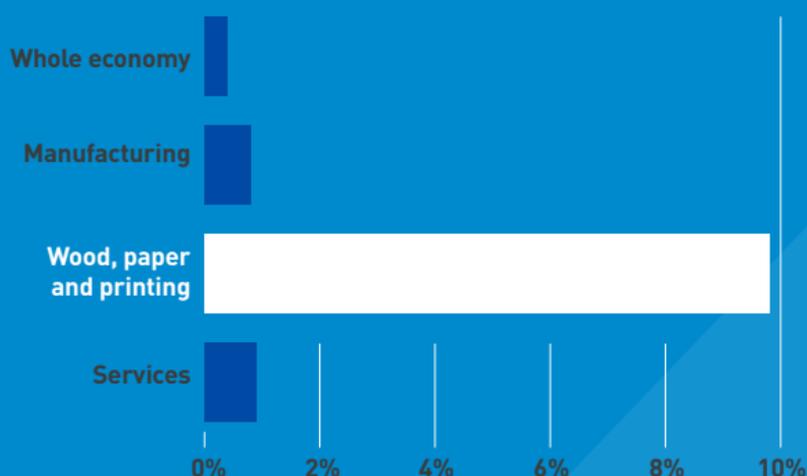


Source: Advertising Association / Warc Expenditure Report

PRODUCTIVITY IN PRINT

THE UK'S 'PRODUCTIVITY CONUNDRUM' CONTINUES AND THE PRINTING INDUSTRY HAS NOT BEEN IMMUNE TO THIS. HOWEVER, THE LATEST PRODUCTIVITY STATISTICS FROM THE OFFICE FOR NATIONAL STATISTICS REVEAL THAT THE PRINTING INDUSTRY IS A BEACON OF LIGHT. CONTINUED INVESTMENT IN TRAINING, TECHNOLOGY AND PROCESS IMPROVEMENTS DELIVERED THE GREATEST 12-MONTH PRODUCTIVITY IMPROVEMENT FOR THE SECTOR SINCE RECORDS BEGAN (IN 1994).

PRODUCTIVITY (OUTPUT PER HOUR): % CHANGE Q3 2016 ON Q3 2015



Source: ONS, www.ons.gov.uk

PRINT IS SUSTAINABLE

Unlike TV or digital, print conjures up a number of preconceptions powered by a series of myths about the use of paper. Consumer demands, Corporate Social Responsibility programmes and the constantly developing area of legal compliance all put sustainability firmly in the spotlight. The creation of print can be split into three stages: paper, printing and consumption. For each point along this journey, there are a large number of processes, assessments and safeguards that significantly reduce the environmental impact of print.

PAPER

The production of the raw material for print media - paper - is perhaps the most obvious and emotive area for environmental concern. But while it's assumed that making paper destroys forests, the opposite is true: Between 2005 and 2015 European forests grew by 44,000 square kilometres – that's an area bigger than Switzerland! Forests used in the paper-making industry are also well managed and sustainable, with certification schemes such as the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC) ensuring that paper comes from sustainable forest sources.

PRINTING

The printing process is constantly becoming more environment-friendly, refining its materials and processes to reduce its impact. One of the major ways printers do this is through 'environmental printing', a commitment whereby they strive to reduce their carbon footprint across the entire company. This is done through the use of vegetable-based inks, recycling cleaning solvents and waste, sourcing paper from sustainable and well-managed forests, and offsetting any remaining carbon emissions.

CONSUMPTION

Paper is one of the world's most recycled materials - far more than plastics or glass - and is one of the few materials that's able to be completely recycled. The European recycling rate for paper continues to lead the world; it reached 72% in 2015. There's understandably a consumer concern about the waste of paper, but studies are emerging about the environmental impact of digital media compared to print. Indeed, a report by the Swedish Royal Institute for Technology stated that reading a newspaper can consume 20% less carbon than viewing the news online.

Source: Two Sides, www.twosides.info



ABOUT US

The BPIF is the principal business support organisation for the UK print, printed packaging and graphic communication industry and is one of this country's leading trade associations.

Visit our website to find out more about us, follow us on Twitter, or contact us at the address below.

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