Powering local marketing with signage
Table of Contents
Introduction ...........................................................................................................................................3
Defining Local Marketing .....................................................................................................................3
The Power of Signage in Local Marketing ............................................................................................3
Examples of Localized Signage ............................................................................................................4
Production Innovations Fuel Effectiveness in Local Signage .................................................................5
Digital Printing Meets the Need for Speed ............................................................................................5
Online Ordering Drives Efficiency .........................................................................................................6
Versioning Capabilities are Expanding ...............................................................................................7
InfoTrends’ Opinion .............................................................................................................................8
About InfoTrends ..................................................................................................................................9
About the Authors ...............................................................................................................................9

List of Figures
Figure 1: Trends in Wide Format Buyer Demands .................................................................................5
Figure 2: Online Ordering is Increasing ................................................................................................6
Figure 3: Versioning is Growing ............................................................................................................7
Introduction
The Small Business Administration (SBA) estimates that 85% of a business’ customers live or work within a five-mile radius of that business. For large enterprises, tapping into the local market requires communicating with customers in ways that capture their attention and target their unique needs. Signage and graphics (e.g., posters, banners, signs, and point-of-purchase displays) are effective communication tools for powering local marketing efforts, and innovations in the production of sign and display graphics are enhancing the ability for businesses with multiple locations to engage customers at the local level. This document highlights how signage and graphics are powering local marketing efforts and how innovations in their production are enabling new opportunities and driving business growth.

Defining Local Marketing
Local marketing, also called “neighborhood marketing,” uses strategies and tactics to target and attract local customers. The practice of local marketing is not new, but technological developments are enhancing its effectiveness. While many businesses are enamored with harnessing online channels (e.g., mobile applications, social media, search engines, and email) to attract local customers, printed sign and display graphics still play a powerful role in engaging and influencing customers. All businesses, regardless of whether they are small independently owned operations or large operations with many locations, can reap the benefits of localizing signage to align with the needs of customers who are located in the same ZIP code. This could entail using images that reflect a local area, promoting products in a specific locale, or altering prices based on a business’ location.

The Power of Signage in Local Marketing
At their most powerful, sign and display graphics will visually communicate promotional messages, influence consumer behavior, and do both of these things at a reasonable price. Recent research from the U.S. Chamber of Commerce indicates that more than 50% of consumers rely on signage to learn about a business. Signage typically costs less than mass media and offers a longer duration of prominent exposure. Compared to other forms of communication (e.g., radio, newspaper, television, and direct mail), signage is one of the most economical media in which to promote and reinforce a message. For instance, an ad placed in a local business directory may only reach those individuals who are actively searching for a specific product, whereas hundreds or even thousands of people may view a sign every day. In addition, point-of-purchase displays prime the impulse-buying pump of consumers.
Sign and display graphics deliver key value to local marketing efforts on the following fronts:

- **They build brand equity:** Posters, banners, point-of-purchase displays, and signs build brand equity and recognition because they emphasize the images, words, graphics, or symbols that are associated with an organization’s products or services. Signage is in a consumers’ daily visual environment, so it attracts attention, encourages message retention, and drives sales.

- **They increase brand recognition:** Every business wants top-of-mind awareness. In their day-to-day lives, consumers may pass by a business 50 or 60 times each month. Getting the right message out with drive-by or walk-by reinforcements builds top-of-mind awareness and supports brand building. Frequently refreshing images or targeting messages to a local market demonstrates a firm’s commitment to customer service and also enhances the customer experience.

- **They establish long-term awareness:** Unlike other forms of advertising, signage is on 24 hours a day, 7 days a week, 365 days a year.

- **They yield results:** Studies have shown that signage and graphics can be between 4 and 20 times more cost-effective than other traditional forms of advertising (e.g., television, radio, newspapers, and magazines). A national survey conducted by the University of Cincinnati found that frequent sign changes resulted in significant, positive effects on a business’ sales, number of transactions, and profits. About 60% of the businesses surveyed reported increases averaging about 10%.

- **They compel purchasing:** Posters, banners, and point-of-purchase displays influence consumer behavior. According to a recent study of over 1,000 consumers conducted by Ketchum Global Research & Analytics on behalf of FedEx Office, 68% of consumers purchased a product or service because a sign caught their eye. In addition, 76% said they entered a store they had never visited before based on its signs.

- **Localized messaging:** The latest technologies for printing sign and display graphics offer the ability to customize content to more effectively communicate advertising and promotional messages. Marketers can incorporate unique elements based on local demographics or regional details.

**Examples of Localized Signage**

Signage and graphics are not typically personalized for the individual viewer, but different versions of signage and graphics are often used to more effectively promote products and services to local markets. This is known as “versioning,” and examples include:

- Sign and display graphics featuring products, offers, and pricing for select markets. For example, franchises or national chains might advertise products or services that are popular in a specific region with prices aligned to local economic conditions. Products and prices can vary, but the overarching design is consistent.

- Décor graphics featuring local landmarks, images, organizations, and icons can capture the essence of a local market. Consumers will relate better to organizations that reflect their town, its citizens, and their way of life.

- Signage and graphics can include images that reflect a particular area’s demographic characteristics (e.g., suburban areas might include images of families, while urban areas might feature professionals).

- Messaging might be provided in different languages in multilingual areas.
Production Innovations Fuel Effectiveness in Local Signage

Digital Printing Meets the Need for Speed

Digital printing devices offer many advantages for serving local markets compared to analog processes. Every generation of wide format digital printing equipment has resulted in valuable improvements, such as improved image quality, faster speeds, the ability to print on a wider variety of substrates, lower running costs, and personalization. All of these enhancements are designed to keep up with customer demands.

According to InfoTrends’ research, over 60% of signage and graphics print orders need to be fulfilled within 48 hours from the time the order is placed. Print shops must offer fast turnaround because they need to meet tight deadlines. Over half of the wide format print providers indicate that customer demand for shorter turnaround times is increasing. Almost 40% of respondents report an increasing demand for versioning of signage and graphics; this is another important benefit of digital printing.

Figure 1: Trends in Wide Format Buyer Demands

Q: How is demand in your business changing for the following services?

- Shorter turnaround
- More personalization/versioning
- Online ordering/web-to-print
- Just-in-time requirements
- Shorter runs
- Delivery to the point of need
- More complex logistics requirements

In addition, respondents indicated a growing need for delivery of products at the point of need. For example, businesses with multiple locations often require signage or point-of-purchase displays be printed at locations near their final delivery destination. This demand is in response to market conditions that require fast production and delivery.

Advancements in manufacturing workflows enable just-in-time delivery, at the point of need. Distribute-and-print workflows enable printing of signs and displays near the final delivery point. Sign and display providers with multiple locations or partner networks transfer electronic print files for output at select locations, which reduces shipping costs and accommodates the demand for fast turnaround.
Online Ordering Drives Efficiency

The emergence of online print ordering and job management systems are enabling organizations to better support local marketing efforts. These systems offer 24/7 access, control of assets, job tracking, enhanced versioning, and real-time monitoring of materials ordered. These online systems go by many names, including e-procurement, online storefronts, web-to-print (W2P/Web2Print), marketing resource centers, digital collateral systems, e-business, print e-commerce, e-enablement, e-fulfillment, marketing asset management, and online print management. According to InfoTrends’ research, businesses are increasing the volume of wide format graphics purchased online.

Figure 2: Online Ordering is Increasing

Q: What percentage of your sign and display products have been ordered via the internet in the past 12 months/over the next 2 years?

![Graph showing percentage of sign and display products ordered online over last 12 months and next 2 years.]

N = 526 Sign and Graphics Buyers  
Source: *Wide Format Printing: Critical Element in the Communications Mix, InfoTrends 2013*

Online ordering solutions can be public-facing storefronts or private internal systems that are customized for a business. Common functions of these solutions include page design, file submission, order entry, versioning, job tracking, soft proofing, online payment, online shipping, and inventory management.

A major benefit of online ordering offered through a print-on-demand provider with many distributed locations is that sign and display graphics can be ordered as needed, and then produced locally. Online ordering combined with on-demand production of large-format graphics at a location close to the delivery point can reduce inventory and shipping expenses. On-demand production eliminates the need to store signage, while local production reduces shipping costs — which can be a significant considering the size and weight of large-format graphics.
Online ordering of sign and display graphics can also support local marketing by:

- Streamlining and centralizing the ordering process, which speeds time to market.
- Improving cycle times as time to fulfill orders is reduced.
- Maintaining branding standards and localizing content by centralizing ordering control.
- Allowing remote locations, field representatives, or franchisees to personalize the marketing collateral to match their specific audience or location information.

**Versioning Capabilities are Expanding**

Advancements in the software used by producers of sign and display graphics are expanding versioning capabilities and related production speeds. Versioning adds value to sign and display graphics, and businesses and organizations are leveraging its benefits.

Today's production tools enable organizations to use a single design/template with different printed options that can account for demographics and localization. For example, point-of-sale and retail advertising can be produced where price points or products promoted vary, while the main graphic and background for these applications remains the same throughout. The variable information enables specific targeting of local audiences. Customized components, such as a name or a graphic, can be included in a digital print run without interfering with or hindering the overall production process.

**Figure 3: Versioning is Growing**

Q: Of the types of wide format prints you buy/specify, what percentage includes versioning or variable graphic elements?

**Mean: 10.2%**

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<th>Percentage</th>
<th>Percentage</th>
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<tr>
<td>More than 20%</td>
<td>17.0%</td>
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</tbody>
</table>

N = 526 Sign and Graphics Buyers
Source: *Wide Format Printing: Critical Element in the Communications Mix, InfoTrends 2013*
InfoTrends’ Opinion

Localized sign and display graphics are a highly cost-effective, visual way to inform customers, enhance the customer experience, and promote products and services. InfoTrends’ research indicates that businesses investing in sign and display graphics are seeking more effective ways to target, engage, influence, and win customers.

Whether they include relevant lifestyle imagery, language, offers, or pricing, signs/graphics that are localized or versioned will typically yield better results because viewers will be better able to relate to the messaging. Innovations in production technologies are facilitating the ability to efficiently and cost-effectively localize sign and display graphics to deliver the right messages to the right market at the right time. The ability to localize is enhancing the power of signage in promoting business, capturing customer attention, and driving results.

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About InfoTrends

InfoTrends is the leading worldwide market research and strategic consulting firm for the digital imaging and document solutions industry. We provide research, analysis, forecasts, and advice to help clients understand market trends, identify opportunities, and develop strategies to grow their businesses.

About the Authors

Lisa Cross
Associate Director, Business Development Strategies
lisa.cross@infotrends.com
+1 781-616-2192
LinkedIn

Lisa Cross is responsible for conducting market research, managing custom business development consulting projects, and monitoring and reporting on industry trends. She also assists companies in developing multi-channel communication, marketing, and content strategies.

Tim Greene
Director
tim.greene@infotrends.com
+1 781-616-2167
Twitter
LinkedIn

Tim Greene is the Director of InfoTrends’ Wide Format Printing and Jetting Technology Opportunities Consulting Services. He is responsible for covering all wide format printing technologies and specialty media for these services. Mr. Greene also develops annual forecasts and conducts primary research.

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