



# COVID-19 Print Business Indicators Research

A Path Forward

VOLUME 2, NUMBER 2  
EXECUTIVE SUMMARY

MAY 2021



# EXECUTIVE SUMMARY

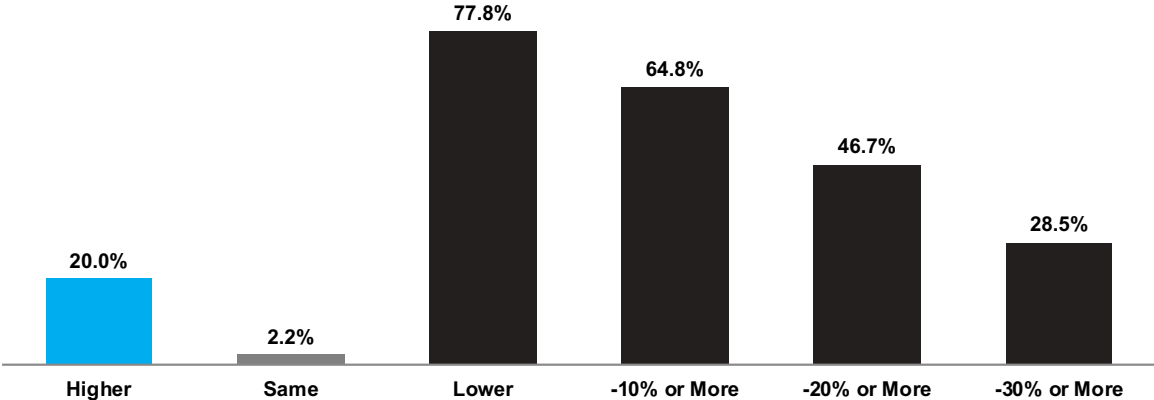
More than 300 printing companies from across the United States and Canada participated in the fifth PRINTING United Alliance/NAPCO Research COVID-19 Print Business Indicators Survey. Topics included percent change in full-year 2020 sales; expectations for first-quarter 2021 sales and production employment; current trends in quote activity and confidence; the product markets the companies surveyed believe have the most growth potential over the next one to two years, and the biggest challenges of the pandemic.

## Key Findings

### Printers Faced Double-Digit Declines When Comparing 2020 to 2019

Our final read on 2020 captures both the extraordinary economic damage caused by the COVID-19 crisis and success in overcoming it. Among all companies surveyed, sales fell 15.4%, on average, last year, with reports of contraction exceeding reports of growth by 77.8% to 20.0%. Nearly half (46.7%) report a decline of at least 20.0% and more than one-quarter (28.5%) report a decline of at least 30.0%.

### How 2020 Sales Compared With 2019 Sales



Q. How did your total sales (all sources) for calendar 2020 compare with your total sales for calendar 2019?  
n=270

### While a Vast Majority Struggled, a Small Group of Printers Managed to Come Out of 2020 Ahead

In every segment, companies created opportunity. Some moved into PPE production, social-distancing graphics, updates on health/safety guidelines, and related activities, while others moved into industries, such as recreational vehicles, home entertainment, and home education, that got a boost from the pandemic. All recognized early the seriousness of the pandemic and adjusted their businesses accordingly. One participant in our research “expanded into PPE markets and COVID-19

messaging, as well as special services that are designed to assist companies and schools in reopening,” while another “lost out on trade show and event graphics but easily made them up in social-distancing graphics and related.” The 20.0% of our survey group who grew last year increased sales 21.3%, on average. Take them out of the sample, and sales were down an average of 24.7% for all other participants, showing how deep the COVID-19 recession has really been for the majority of printers.

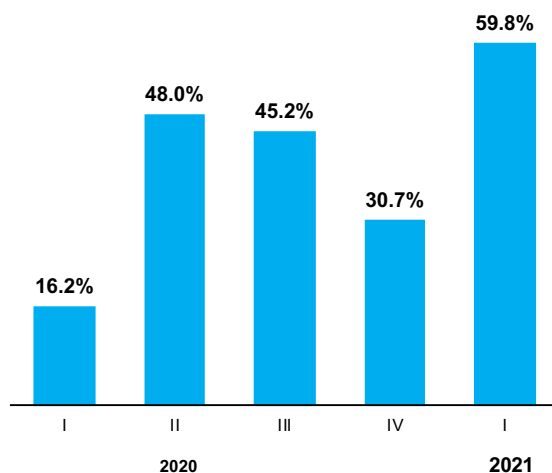
How 2020 Sales Compared With 2019 Sales		
Group	Percent of Sample	Average Change
All Companies Surveyed	100.0%	-15.4%
Sales Increased	20.0%	21.3%
Sales Decreased or Unchanged	80.0%	-24.7%

Q. How did your total sales (all sources) for calendar 2020 compare with your total sales for calendar 2019?  
n=270

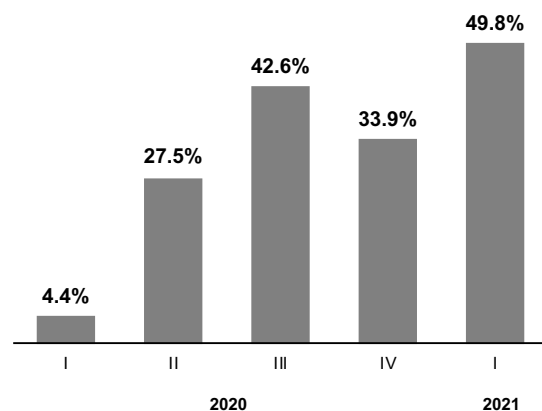
## The Index of Leading Indicators Rises Sharply, Mainly Driven by Increased Quote Activity and Confidence

As we try to put COVID in the rearview mirror, we must begin asking what comes next. The answer is growth, according to leading business indicators such as confidence and quote activity. Nearly 60.0% of companies surveyed expect business to improve during the month ahead, essentially double last quarter’s 30.7%, while 49.8% report quote activity is increasing, up from 33.9% three months ago. Both are the highest readings since the start of the pandemic.

**More companies expect business to improve during the month ahead ...**



**... and more report quote activity is increasing.**



Q. How is business trending? Please indicate whether each of the above is increasing, not changing, or decreasing.  
n=275



## Uncertainty Highlighted the Greatest Challenge for Printers Throughout the Pandemic but Other Challenges Will Linger Throughout the Recovery

When asked what their biggest challenge was throughout the COVID-19 pandemic, a majority of printers mentioned constant uncertainty (75.9%) and a decrease in demand for their products and services (73.4%). Much of this uncertainty has been cleared up by the U.S. getting a grip on the virus and election season coming to an end. And demand will certainly fix itself as the economy opens back up and pent-up demand drives sales once again. The main concern now comes from the challenges that will linger. Throughout 2021 and beyond, it is expected that rising inflation will drive up prices and it has already begun for some printers – as 35.7% saw an increase in substrate prices and 27.1% saw an increase in consumable prices. This combined with those who had supply disruptions (47.7%) and shipping issues (43.7%) will likely force printers to either pass these price increases to their consumers or will force them to depress their profit margins. Printers will also struggle to bring in qualified and/or experienced workers throughout the rest of the year, further increasing the number of printers facing employee shortages (28.1%).

What have been your greatest challenges during the pandemic?	
Constant uncertainty/don't know what's next	75.9%
Decrease in demand for our products/services	72.2%
Supply disruptions/difficulty obtaining materials, consumables, substrates, etc.	47.7%
Government shutdowns of clients	46.2%
Shipping issues (rising costs, delivery delays, etc.)	43.6%
Increases in substrate prices	36.9%
Increases consumable prices	30.3%
Cash flow shortages	28.2%
Employee shortages (illness or quarantine requirements)	27.8%
Other	11.6%

Q. What have been your greatest challenges during the pandemic?  
n=241

**Become a member of the PRINTING United Alliance to access the full COVID-19 Business Indicators Research Report and other great member-only content.**

<https://www.sgia.org/resources/research/covid19-print-business-indicators>

<https://www.printing.org/covid-19-resources/covid-19-print-business-indicators>



# JOIN OUR PANEL!

Members of the COVID-19 Research Panel have access to an enhanced version of the report that covers leadership during a crisis, lessons learned from countries that recovered from the pandemic earlier, how to deal with employees during layoffs, client outreach, and additional information that can better help your business navigate this challenging environment.

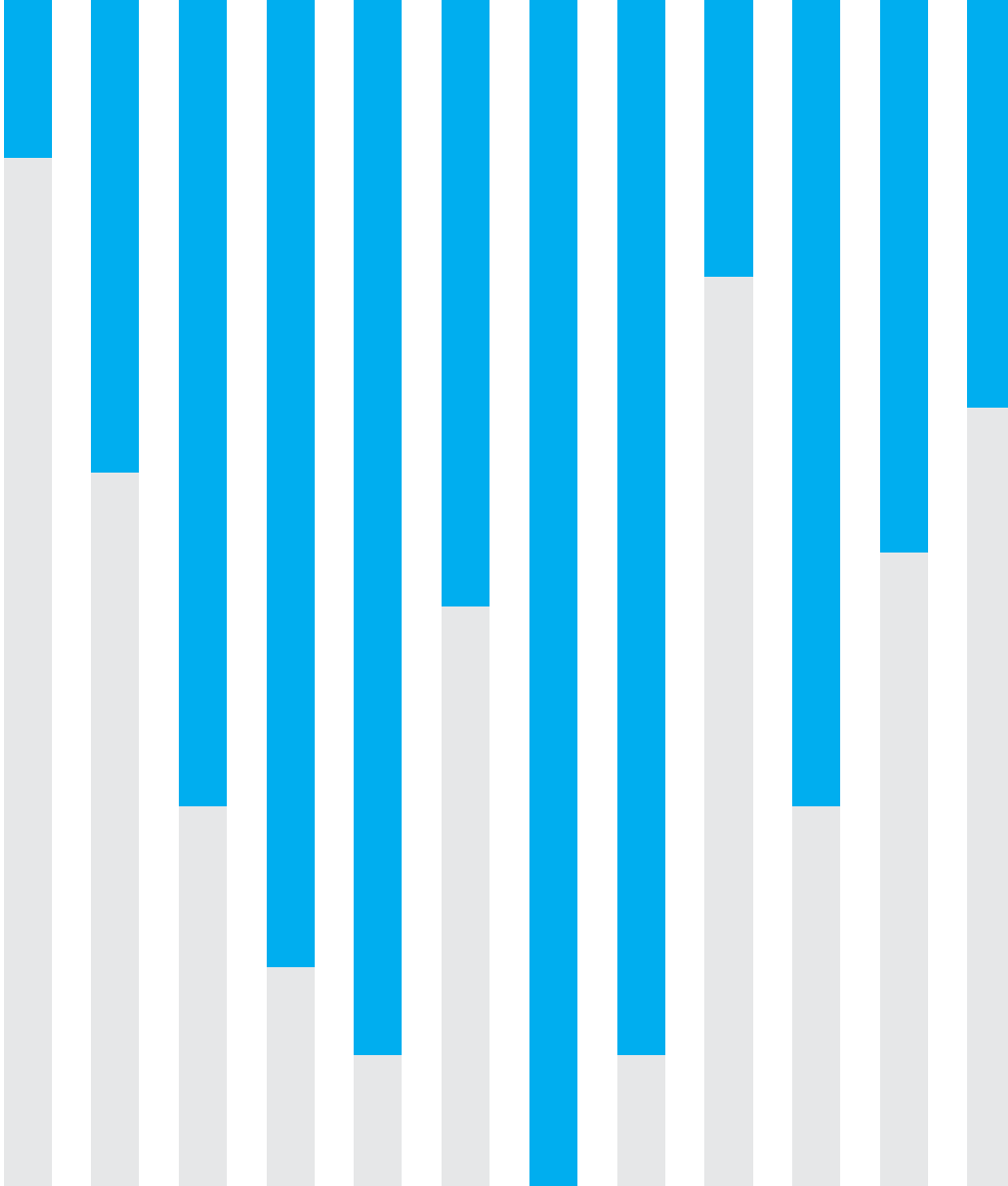
Participate in this ongoing research by joining our business panel. Companies that join the panel will receive exclusive in-depth analysis reports (not made available publicly) of our COVID-19 research findings. Participation requires completing a 3-5 minute web-based survey every few weeks.

Follow the link below to  
join our business panel:

**JOIN NOW**

[research.net/r/CV19PREX1](https://research.net/r/CV19PREX1)





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Attach your brand to ongoing research that is tracking the recovery

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## WHAT CAN NAPCO RESEARCH DO FOR YOU?

- **NAPCO Research CRAFTS** actionable data-centric solutions that leverage our highly engaged media audiences, industry subject matter experts and in-house research expertise.
- We partner with our clients to **IDENTIFY** their unique business challenges and create solutions that **ENABLE** deeply informed decision-making and **DELIVER** results.
- Gain access to NAPCO Media's & PRINTING United Alliance's engaged audiences of industry executives across key industries.

## NAPCO RESEARCH DELIVERS...

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- Landscape Analysis
- Competitive Assessment
- Analyst Presentations at Events
- Benchmarking
- Industry & Economic Trends
- User Research & Analysis

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- Lead Generation
- Sales Training
- Research-Based Webinars
- Brand Awareness and Market Positioning
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- Surveys, focus groups
- Distribution of thought leadership for lead-generation

## THE NAPCO RESEARCH DIFFERENCE



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# WHO WE ARE

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PRINTING United Alliance is the new entity borne of the merger between Specialty Graphic Imaging Association (SGIA) and Printing Industries of America (PIA). In a milestone in the printing industry, SGIA and PIA officially combined in 2020 to create the largest, most comprehensive member-based printing and graphic arts association in the United States. Members will soon have unparalleled access to preeminent education, training, workshops, events, research, government and legislative representation, safety and environmental sustainability guidance, as well as resources from the leading media company in the industry – NAPCO Media. For PRINTING United Alliance membership inquiries, visit [sgia.org](http://sgia.org). To learn more about local Affiliate membership, visit [printing.org](http://printing.org).

## NAPCO RESEARCH

NAPCO Research crafts custom data-centric solutions that leverage our highly engaged audiences across the markets in which we operate, our industry subject matter experts and in-house research expertise. We partner with our clients to identify their unique business problem and create solutions that enable deeply informed decision-making.

NAPCO Research can help with:

- Business goal prioritization
- Opportunity discovery
- Market segmentation
- Landscape insight
- User needs and wants
- Product features and functionality
- Content marketing strategy
- Sales strategy and tactics
- Market conditions
- Benchmarking
- Industry trends
- Brand awareness

Contact [research@napco.com](mailto:research@napco.com) to talk with our analysts to find out how we can help you with your research needs.