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Digital Imaging Equipment Investment Projections

for the Printing, Publishing,
and Creative Marketplaces

Summer 2007



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Digital Imaging Investment Projections

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Introduction



Introduction

This report provides The Industry Measure's estimates of the *digital imaging equipment* investment plans of graphic arts companies in the next 12 months.

This set of investment projections includes the following hardware categories:

- digital cameras
- color scanners

These investment projections include the following four sets of graphic arts markets:

- All print and prepress (commercial printers, quick printers, publication printers, book printers, and prepress services providers); investment projections are taken from the Spring 2007 *Printing* survey.
- All publishers (book, magazine, and catalog publishers); investment projections are taken from the Summer 2006 *Publishing* survey.
- All graphic design and production establishments (graphic designers, ad agencies, corporate design

departments, and commercial photographers); investment projections are taken from the Summer 2007 *Design & Production* survey.

- All Internet design and development establishments (ad/interactive agencies, Web design, production, and hosting companies, graphic designers, and corporate design departments); investment projections are taken from the Summer 2006 *Internet Design & Development* survey.

About The Industry Measure's Investment Projections

These investment projections are taken from our regular surveys of the graphic arts markets. On each survey, we ask respondents about their plans to invest in various hardware, software, and equipment categories. We apply these percentages to industry demographics taken from our annually updated Demographic Atlases to arrive at an estimated number of "units," or number of establishments planning to buy a given item. We have then obtained an "average" cost per unit and multiply that by the likely number of establishments intending to invest in that item to arrive at an estimated dollar figure.



Caution: Some items are easier to obtain an “average” cost than others; for example, a color scanner has a single average price that is easy to find. However when talking about a digital asset management solution, we’re talking about simple desktop applications vs. customized integrated enterprise management systems. We have tried to break these items out where possible, but “average” costs reflect our “best guess estimate” of a typical middle ground. The sheer number of investment categories and configuration for many items precludes our drilling more deeply into these items. However, The Industry Measure will be happy to work with companies wishing a more granular approach to specific investment categories as part of our Customized Research initiative.

The Industry Measure has realized over the past 12 years that different users have different requirements, and that the market is not as easy to predict as some may prefer it to be. As a result, we provide four different investment scenarios so that users can get an idea of the range of investment in a particular item:

- the market at 100%—that is, if everyone who said they planned to invest in a category actually did so; a hyper-bullish forecast;

- the market at 80%—that is, a slightly less bullish forecast, assuming 80% of the companies that planned to invest in an item actually did so;
- the market at 67%—that is, a more bearish scenario, assuming that two-thirds of companies citing a specific investment category actually buy that item;
- The Industry Measure Forecast—these columns weight the original survey results according to industry demographics, size of establishment (that is, larger companies have more formalized budgeting and investment procedures than smaller ones and are more likely to “mean it” when they cite a specific planned investment), and other considerations. This is the number we feel is “correct.”

Items marked “-” or “\$0” should be considered as “negligible,” rather than as “absolute zero.”



For Further Research

The Industry Measure's regular survey reports contain estimates of nearly 200 hardware, software, and equipment categories. For more information, visit our Web site at www.theindustrymeasure.com or e-mail info@theindustrymeasure.com.