



GEARING UP FOR RECOVERY

Trends and guidance from the FESPA Global Summit 2021



Introduction

Early in January 2021, FESPA hosted its first virtual Global Summit, bringing together some of the world's leading printers to connect, learn and debate about the future of the speciality print industry.

Together with a line-up of expert presenters, the Summit explored several trends and areas of focus that are set to shape our print community in the year ahead as we emerge from the global COVID pandemic.

We've compiled this digest of the Summit presentations and discussions and hope that you'll find it supporting and motivational.

The crisis has changed businesses and strong recovery will demand that we focus more than ever on how we meet our customers' expectations.

Turn to page 2 for advice from neuro coach Paddy Moran on how to *Engage Your Team* and read on to page 4 for pointers from Anna Gapinska, CEO of Think Customer and Tom Hawkins, global MD of Glimma on how to *Listen to Your Customer*.

As we emerge from the crisis, all businesses need to look for growth opportunities, which might mean considering diversifying into a new niche, like printed décor. But this segment, like many others, is being shaped by social and commercial trends. On page 6, read our creative experts' take on the currents affecting décor for homes and commercial spaces.

And the pandemic has changed our perspectives on environmental issues,

making the future of our planet a high priority. On page 8, in *Time for Change: Planning for a Planet Friendly Future* we share thinking from environmental expert Clare Taylor and print business leaders Christophe Aussenac and Nathan Swinson-Bullough, all of whom believe in the power of putting the environment at the heart of your business strategy.

Automation is a hot topic too, as we all look for efficiency gains to manage costs and support growth. On page 10, in *Automate For Growth*, read the inspiring stories of two Dutch printers who have put automation at the centre of their business growth models.

Finally, on page 12 – *New consumer behaviours demand flexibility* – we hear from two leading retail experts on the predicted changes to our shopping habits that will impact all businesses in the supply chain.

You can watch recordings of all the Global Summit sessions on Club FESPA Online, a multi-language content platform available exclusively to FESPA members. Throughout 2021, as we adapt to continued change, it will be an invaluable source of insight and practical business and technology advice.

We all know that the coming year will bring new challenges. As ever, FESPA is here to support you, giving you direction and guidance on how to be resilient and plan your recovery.

With the best wishes of the whole FESPA team for your continued success and good health.



Christian Duyckaerts
FESPA President

Engage Your Team

2021



2020 was a difficult year, never imagined or experienced by anyone, and we can expect that 2021 will be a year of multiple uncertainties. Many companies have seen business slow down and have had to make permanent or temporary workforce adjustments. But neuro-coach Paddy Moran points out that any success achieved in 2020 has been down to the engagement of the team, and the huge effort to adapt to a new environment.

He emphasises that, a year on from the start of the pandemic, business leaders must remain focused on their teams, supporting them to face the future and prepare for a long journey with continued challenges. When a business owner considers the ROI for a new machine, they will go into a process of testing all its technical capabilities, its speed of production, print quality and the final output. But running this machine needs a human work force that will deliver most when they are engaged and motivated. The work environment must be a happy place.

A survey in the US, carried out by Dale Carnegie Training & MSW, showed that only 29% of employees are engaged with the company and the business. 45% are not engaged, and 26% are actively disengaged. This low level of engagement in a business costs money – it spells inefficient or ineffective production, administration and sales, none of which are likely to deliver the business owner's expected growth.

The entire team needs to be motivated and engaged with the company's goals. Leading a team means leading as a human, with heart and feelings. Humans are motivated by reward, and by the desire to avoid threat or insecurity. You must find a balance depending on each employee, and their individual role and situation.



Paddy Moran
Neuro Coach
& Neuro Leader

There are basically two types of motivation: Extrinsic (coming from outside), and Intrinsic (coming from inside). The first is about salary, bonus, car, phone – the material trappings of employment. The second is about feeling good about the work, achieving a positive result, co-operating with the rest of the team. Intrinsic motivation is more effective, as it isn't easily replaced by material assets – many employees place more value on how they feel at work than on a salary increase.

So how do leaders maximise engagement? The answer is to communicate continuously and listen. Motivate with positive messages, inspire by talking about new markets, products, achievements. Create the feel-good factor by defining short-term goals that can be achieved regularly.

During 2020, ways of working have changed dramatically. Home working is challenging, stripping employees of contact with the company, their colleagues and their leaders. Home conditions may not be optimal, for many reasons. This means there's a greater need to motivate your team, to focus them on a positive future and keep them contributing actively to the business.

PADDY MORAN IDENTIFIES THREE THINGS FOR BUSINESS LEADERS TO FOCUS ON



COMMUNICATION

Encourage everyone to behave in a way that drives success. Distil big goals into small, weekly targets, and encourage every department to share what they have contributed.



RESPECT

Ask yourself whether every member of your team feels respected and valued?
What can you do to show you respect them?
Remember, money is not the only motivator



BELONGING

Does every member of your team have a sense of belonging?
Make sure they are all on the same page and working together as a team.

For regular advice on management best practice for print business leaders, visit Club FESPA Online - www.fespa.com/club-fespa-online

Listen To Your Customer

Understanding your customer and being flexible are the two keys to better relationships and retention, so making your business customer-focussed should be a high priority in 2021.

The first step is to map your customer journey to manage your customer's experience, says Anna Gapinska, CEO of Think Customer. Look at all the customer's interactions with your company and identify what they need and expect from your brand, your products and services. This needs input from your sales and marketing teams to discuss and analyse all your sales processes. Every customer is different, and you need to understand them as a customer/client and as a customer/individual buyer.

This will improve your internal processes, eliminating redundant and inefficient activities and resulting in better marketing and sales efficiency, improved results and an expanded customer base.



Anna Gapinska
Owner & Managing
Director, Think Customer

ANNA SHARES HER 5 TOP TIPS ON WHAT TO DEFINE IN THIS PROCESS

1

Define the customer journey phases and the awareness of your company

- Why do customers choose your company?
- How does the customer establish contact with you?
- How do you manage the customer relationship during the production process, keeping them updated until shipping and delivery?
- What will you do to make the customer come back again?

2

Define your touch points, and how they meet your customers' goals

- What are your communication channels, analogue and digital?
- What are your products and services for your niche of the market?
- How does your team engage with the customer?

3

Define customers' questions about your company and services

- Does your product and service match the price/quality?
- What makes you different for the customer to choose to work with you?
- How available are you for the customer when they need you?
- What level of service and interaction can the customer expect?

4

Define the moments of happiness and pain

- What makes a customer choose you?
- What factors make them happy with the relationship?
- What can be a negative issue or pain point for them?

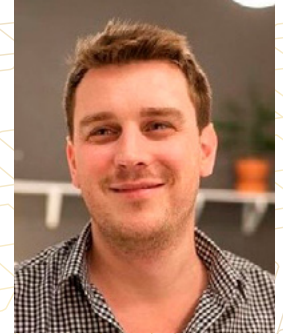
5

Define the scope to improve your quality of service

- Train your sales and customer service teams.
- Improve your marketing content in all channels available for your target.
- Give a value to all your touch points with the customer.
- Identify how to optimise your most positive selling points.

Tom Hawkins, global managing director of brand management specialists Glimma reinforces the importance of this process, emphasising that customer experience should be the first priority for any business. His advice is this:

- Offer solutions for what customers desire today and will want in the future.
- Add value and build loyalty by listening to your customer with empathy.
- Build a stronger relationship, considering the difficulties everyone is having with the pandemic.
- Be flexible and responsible. Sell what the customer needs, not what you want to sell.



Tom Hawkins
Global Managing
Director, GLIMMA

“A customer doesn’t buy ice-creams. A customer buys products, services and experiences!”

Anna Gapinska

For the latest thinking on optimising customer experience, visit Club FESPA Online - www.fespa.com/club-fespa-online

Digital decoration: Drivers for Change

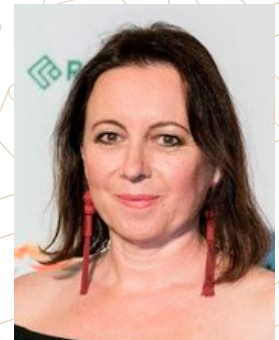
With today's digital technology no surface is safe from digital disruption – we can print on anything. And, according to FESPA Textile Ambassador, Debbie McKeegan, there are many drivers for continued change: she names fashion, lifestyle, branding, sustainability, global influence and urbanisation.

Our homes have become an extension of ourselves and the home working trend has created new opportunities for an increase in interior décor. Asia-Pacific, Europe and the US accounted for 73% of the world home décor market in 2020, with scope for growth in other markets.

Sustainable technologies and substrates are gaining importance, and eco-textiles and biomaterials are driving new business.

Micro design brands and ecommerce for personalised lifestyle and décor are growing, and the scope for supply chain management and digital print on demand are increasing. There is incredible creativity in our sector, says Debbie, and this is now pushing through and giving rise to incredible opportunities into our marketplace.

Annette Taylor-Anderson of ATADesigns brings the perspective of the designer to the discussion, celebrating the role that digital printing has played in opening doors. She highlights that digital technology has increased her imaginative scope, expanding her colour palette and reducing creative limitations. When working for projects abroad, she values that fact that digital technology enables her to source local printers, reducing her carbon footprint.



Debbie McKeegan
CEO, Textintel; FESPA
Textile Ambassador



Annette Taylor-Anderson
Creative Director/
Designer, ATADesigns

Creative brand consultant Ross Haxton picks up on the theme of change, pointing to the seismic shift in digital engagement, with an unparalleled growth in online sales, now extending to older audiences and rural communities.

Customers are driving retail transformation, with an increased awareness of sustainability, and social influence and brand connection are 'always on'.

Brands' mindsets are changing. Operations are becoming quicker, and more efficient IT systems are driving powerful, customer-centric e-commerce. Digital technology is enabling an improved customer experience that is both online and conveniently local.

The role of physical stores is changing, he highlights. Innovation and creativity will be key to redefining shops as spaces that deliver unique customer experiences. The future will be about enabling a higher level of customer engagement with the brand, with access to advice and expertise from multi-skilled staff. He predicts that retail and store formats will evolve in both directions: large stores that function as warehouses and event spaces, and small outlets offering local connections, with zero inventory and click & collect points.



Ross Haxton
Creative Brand Services
Director, GLIMMA

“No surface is safe from digital disruption.”

Debbie McKeegan

For more content and guidance on décor and textile printing for corporate, retail, hospitality and home, visit Club FESPA Online - www.fespa.com/club-fespa-online

Time for Change: Planning for a Planet Friendly Future

21

The COVID crisis has altered society's perspectives on the environment, showing us a model where a significant number of people work from home, daily commuting is not a necessity, and international travel is limited to essential journeys.

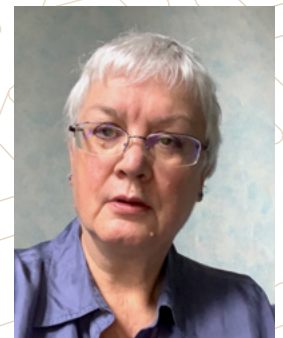
Environmental consultant Clare Taylor sees a broad recognition of the need to start rebuilding our businesses and lives in a more sustainable way, potentially using post-pandemic economic stimulus to support this process.

Taylor shared data indicating that the 'green' economy will increase by 25% by 2030, as we go from emergency to recovery mode. We really need to reduce our carbon emissions, and it's becoming clear that we only have a few years before it is too late, she emphasises. Money must be spent on prevention, not on emergency disaster recovery. Gen Z is proactive on this and looking to see how business leaders take up the challenge.

There is good news, with the USA under Biden's presidency planning to re-join the Paris Agreement. The goal is to reduce carbon emissions by 45% by 2030 and to reach net zero by 2050. Shareholders, stakeholders and financial institutions are also pushing for greener business.

Fundamentally, Taylor argues that there will be a market pressure for business to change, so leaders need to adopt a proactive approach and develop a clear improvement plan as a priority.

Christophe Aussenac, FESPA Vice President and CEO of ATC Group in Lyon, France, shares his own 'green' epiphany. He decided in 2006 to focus his business strategy on environmental responsibility, while increasing its profile and growing the customer base. He started by printing using vegetable inks but found that ink was only 0.03% of the company's carbon footprint.



Clare Taylor
Owner, Clare Taylor
Consulting



Christophe Aussenac
Founder / Owner,
ATC Group; FESPA Vice
President; President
FESPA France

He needed to go much further, so he created a community to discuss sustainability, inviting clients and forming a group of 14 members in his region. The new 'eco attitude' quickly grabbed attention, resulting in 70 press articles.

According to Aussenac, every element of every project contributed, from solar power and ergonomic ways of working, to new technologies and alternative materials and consumables. All teams were involved in the process and were committed to the plan as part of the company's broader goals.

He has never calculated the exact ROI from this new approach, but it attracted one of ATC Group's biggest customers and the business is enjoying sustained growth, with further improvements planned in 2021. Aussenac credits this environmental strategy for the company's longevity and commercial success, but says his team is always learning.

Back in 2015, following a management restructuring, Nathan Swinson-Bullough of Imageco in Leeds, UK, was focused on transforming the business. Sustainability had not been on the agenda, but his strategy involved new technology investments for less waste, reduced operating hours and lower energy consumption.

In 2018, he watched a Blue Planet TV programme, and was horrified by the images of oceans full of plastic and burning forests. As a consumer and business owner, he recognised his personal contribution and the need to change. This led to a mission to review Imageco's operations and look for new, eco-friendly alternatives and strategies to reduce the company's carbon footprint.

The company adopted multiple sustainability initiatives, including voltage optimisation, solar energy, LED lighting and tree planting. Swinson-Bullough even changed his car to full electric, reflecting a totally new mindset and culture. Imageco started to promote itself via social media as a 'go-to' provider of sustainable printing services, and received a print media award for Green Company of the Year in 2019.

Looking forward, more advances are planned in water-based printing technology, bio media, plant-based products and renewable energy.



Nathan Swinson-Bullough
Managing Director of Imageco Visual Imaging; Co-founder, Sustainability Partnerships; Board Member, FESPA

For up-to-date information and advice on implementing sustainable practices in your business, visit Club FESPA Online - www.fespa.com/club-fespa-online



The last year has highlighted the value of automation for many print businesses, and it stands to be a significant area of investment focus in the years ahead.

We hear from René de Heij, CEO of Probo in The Netherlands, who shares his own automation story. Founded in 2001, by 2012 the company was selling 100% online, with a unique B2B strategy serving only professionals who work with end users' clients.

With 10,000 different customers, Probo is now totally focussed on production workflow, logistics and product innovation. Web shops enable faster processing of orders and production. Today, Probo is a service provider, a 'plug-in' that gives its customers a fully automated process workflow from uploading the job, through planning, printing and finishing, to assembly, packing, shipping and delivery.

To meet growing volumes and demand for fast shipping, Probo created its own delivery service, offering round-the-clock logistics also using pick-up points across the country. Customers are placing their orders later and later, and with 250 different materials and 200,000 individual products, the automation process is in constant evolution, to reduce turnaround time to a minimum.

Fellow Dutchman Erik Strik, CEO of Print Factory in Eindhoven, explains that in his experience volume can be increased, but logistics must follow. You can't increase production volumes just by buying a faster printer if your cutting and finishing processes don't keep up.



René de Heij
CEO, Probo




Erik Strik
CEO, Print Factory

Speed of production needs to be aligned with the speed of finishing, packing and shipping. Automation will simplify each process and reduce operator errors, but to go faster and avoid reprints you need consistency, which means fully automated colour management and enforced maintenance schedules for integrated quality control.

You need to automate gatekeeping by pre-flighting jobs when the PDF is uploaded, followed by autocorrection and a single processing engine for pre-flighting, pre-press and printing. The later the error is detected, the longer the process and the higher the costs. Job tracking can keep track of every job and a central ERP with QR/barcode label connects each device with picking. You also need to consider floor logistics, to stop work-in-progress clogging up the production floor.

The process needs to calculate back from when the product needs to be shipped. And he recommends putting in place a mechanism to provide an accurate order status in your customer support systems, with a live feedback process to the customer.

A close-up photograph of a printing machine's roller mechanism. The image shows a white roller assembly with a grey roller wheel, set against a bright orange background. The lighting is warm and focused on the mechanical components.

**“Printing is ‘easy’;
managing volumes
and orders is not”.**

Erik Strik

For regular practical guidance on how to put process automation into practice, visit Club FESPA Online - www.fespa.com/club-fespa-online

New Consumer Behaviours Demand Flexibility

Rafael Pelote, Head of Marketing Intelligence for real estate specialist Sonae Sierra in Portugal, paints a dynamic picture of a retail sector poised for further evolution.

He highlights that we're now in a process of society-wide digitalisation. E-commerce is growing rapidly, with €1,733 billion annual spending in the EU in 2018, a trend which will have been accelerated by the pandemic. With adjustments to bricks-and-mortar retail, brands are reducing their store footprint in secondary locations, while promoting larger flagship stores in prime zones. Omnichannel integration is merging off- and on-line worlds, adding digital experience and perception. There's a growing need for brands to adapt their integrated strategies to embrace a mix of physical and digital reality.

Mobility and urbanisation are continuing to boost the populations of major cities, with significant consequences for the way we shop and access other services. Pelote also points to changing consumer values and habits, citing the example of healthier lifestyles, focusing expenditure on exercise and physical and mental well-being. Fashion is under pressure and Generation Z is influencing older generations, giving rise to a sustainability trend. Older consumers have different priorities, and their expectations are far away from fast shopping and fashion.

In five to ten years the visit to a modern shopping location will be smooth and integrated, following an organic, enjoyable, simple flow and taking advantage of technology, for example using Artificial Intelligence (AI) to welcome visitors, anticipate their needs based on historical data and offer targeted promotions. We can expect shoppers to use alternative public transportation networks, bicycle and walking pathways, or shared-services hubs. Parking will be easier, thanks to licence plate reading and direct debit payments, as well as electric charging systems.

Fashion, although still very important, will no longer be the main driver for visitors. Shopping centres will mix retail and services, bringing diversity and exclusivity, while also promoting a new level of convenience. Most brands will have an online presence, allowing visitors to compare or even receive curated offers. Integrated uses will enable visitors to optimise their time in the centre, with convenience such as leaving shopping at a pick-up point or arranging delivery to the car or home.



Rafael Pelote
Head of Marketing Intelligence, Sonae Sierra

“Change is a constant and change is a process.”

Rafael Pelote

With so much uncertainty around retail in the present, Massimo Volpe of Global Retail Alliance says it's hard to predict the future. For example, a queue of customers outside a store used to be a positive sign while today it might just signal a restriction on the number of customers inside the store. Will the shopping centre car park of the future be empty and become a click-and-collect pick up point?

Volpe points out that B.C. (Before COVID), shoppers were buying online and shopping physical; today they buy in-store and shop online. We are living in the age of BOPIS (Buy Online Pickup In Store), meaning that physical stores are becoming hybrid spaces for shopping and online pick-up, which demands flexibility.

The way retail is moving and innovating is driven by new consumer habits and behaviours. He gives the example of Harper Concierge, a new service in the UK that allows the customer to choose articles they want to try and have them delivered to their home the same day, buying only what they want to keep.

Meanwhile, direct to consumer sales are growing, cutting out retail altogether. Chewy.com is a DTC (direct to consumer) site selling pet food and products; it reached a stock market value of \$3.5B. And mega FMCG brands like Heinz and Pepsi are also already online for DTC.

On the other hand, there are major brands like Primark that still choose not to sell online. Why? Cost per acquisition was \$2 and today is \$33 and more, because 30% of online purchases are returned, with huge costs for the retailer.

The message from both experts was clear: change is inevitable, which means service providers must stay flexible.



Massimo Volpe
Founder, Global Retail Alliance

For regular insights into consumer trends impacting speciality print visit Club FESPA Online - www.fespa.com/club-fespa-online



FESPA Global Summit is supported by FESPA Profit for Purpose - a structured international reinvestment programme, that uses revenues from FESPA events to support the global speciality print and visual communications community to achieve sustainable and profitable growth.

Re-investment is channelled into four key areas:

- to share knowledge and market intelligence
- to promote best practice and spark inspiration
- to create valuable networking opportunities
- to help businesses to diversify, grow and prosper.

The Profit for Purpose programme delivers high quality products and services, including market research, seminars, summits, congresses, educational guides and event features, in addition to supporting grassroots projects in developing markets.

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For more information, visit www.fespaglobalsummit.com

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