

## Color Variable Data Printing: 2004 Versus 2003

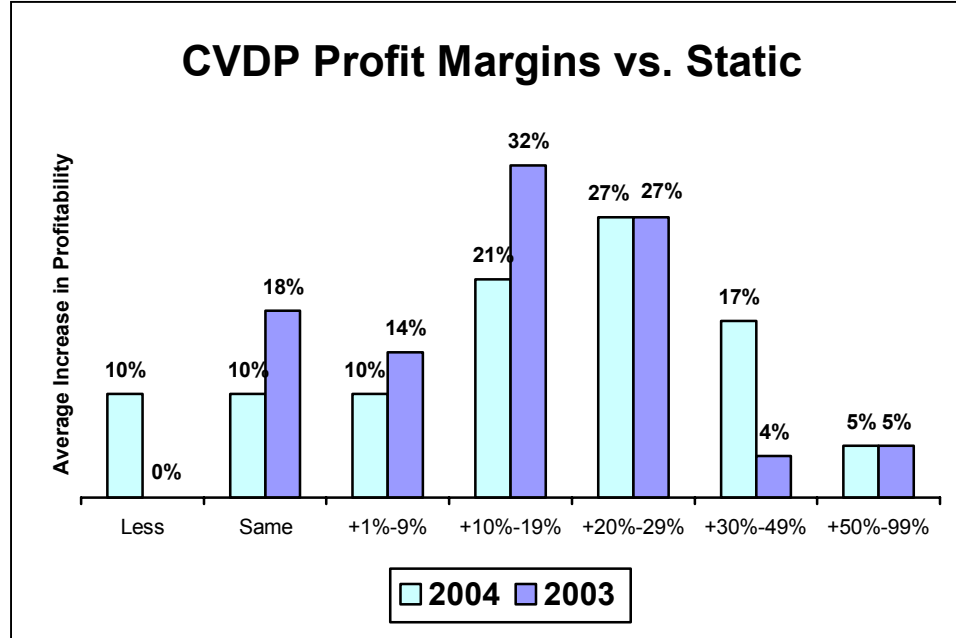
By Gilles Biscos

INTERQUEST has just released a new study that analyzes the state of the color variable data printing market, along with what has changed in one year.

The survey “**Color Variable Data Printing: 2004 Versus 2003**” was conducted in September/October using a panel of 100 print providers located in North America and Europe. It is part of INTERQUEST’s Color Variable Data Advisory Service, which provides companies with on-going market research surveys, forecasting, and consulting services.

Here are some of the findings from the study:

- Black-and-white printing accounts for about 87% of the digital print volume produced by respondents, and color printing for 10%. Respondents project that in three years color printing will account for 29% of their digital printing volume.
- The companies currently involved with color variable data printing project a growth of over 50% per year for the application over the next three years, which is relatively similar to what they projected last year.
- Direct mail, which is produced by 71% of the respondents, tops the list of color variable data printing applications—like in 2003.
- Almost one-third of the respondents say their companies often or always work with advertising and design agencies on color variable data projects.
- Customers pay an average of 44% more for a color variable data job than for a static job, and the providers estimate that the cost to produce a color variable data job is around 25% more.
- On average respondents estimate that about 37% of the cost of a color variable data printing job is associated with printing and document finishing and about 23% to mailing.
- The largest percentage of respondents (27%) estimate that color variable data printing jobs are an average of 20% to 29% more profitable than static jobs. Only 10% say that color variable data work is about equal in profitability to static printing jobs. About 10% say that color variable data jobs are less profitable than static work.



*Figure 1. Profitability of color variable data jobs versus static printing applications*  
Source: INTERQUEST

There is a great deal of consistency between the results of the current survey and the 2003 survey. Barriers and drivers changed little in the estimation of respondents, and their projections for future growth remained by and large unmoved. There is also, however, some evidence of change.

A great deal of the initial marketing and education efforts put forth by vendors around full color variable data concentrated on potential software and equipment buyers. In recent months we've seen the focus shift somewhat toward potential buyers and intermediaries such as advertising and design agencies. This is an important and necessary step and is being reinforced by the participation of vendors such as Adobe and Quark, bringing additional credibility and visibility to the application. We see evidence in this survey that perhaps these efforts are beginning to take hold.

***For more information about the study and to order, call INTERQUEST at 434/979-9945 or visit [www.inter-quest.com](http://www.inter-quest.com)***

INTERQUEST is a market and technology research and consulting firm in the field of digital printing and publishing. Since publishing the *Years of Color* in 1990, INTERQUEST has developed numerous studies analyzing the office and production color printing markets. In the past few years INTERQUEST has conducted several studies on color production printing and variable data imaging for Xplor International, GAMIS, and the PIA Digital Printing Council. In addition INTERQUEST has developed a series of seminars "**Profiting with Color Variable Print**" that have the objective to present attendees with the business opportunities offered by color variable data, how to implement and market the service, and how to resolve key technical and marketing issues.