

How to Grow Your Wrap Business



Introduction

In today's climate of hyper-competition and increasing expertise, establishing your reputation and increasing the success of your business is harder than ever. Whether you're just getting started or looking to keep your momentum, growing your wrap and graphics business is no easy task.

Bolstering your creative potential and installation talent can get your company far, but to set yourself apart from the competition, you'll need more than just car wrapping skills. The market availability for wraps and graphics is ripe for the taking. With the right mix of knowledge, planning and a bit of elbow grease, wrap businesses across the country have the opportunity to grow, and 3M is here to help. Our commitment to this industry goes beyond just the products we make, and we're excited for the future of graphics and wraps. From identifying industry trends and marketing strategies, to discussing best-practices and innovations, we've developed a game plan to help you set your shop apart and bring your business to the next level. When you continue to succeed, we all succeed.

Wraps Business Outlook

73%

of shops report a significant increase in sales over last year

60%

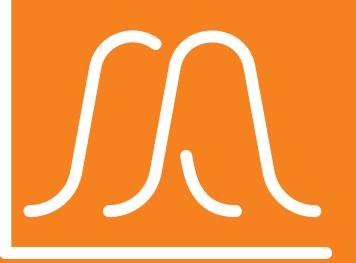
of shops expect wrap sales to increase next year

Source: SDGMag.com, 2016



Industry Trends

Over the past several years, the car wraps and graphics industry has seen steady growth and change. To keep up with the times, it is vital for graphics installers and manufacturers to stay up-to-date on product innovation and industry trends. Ever evolving, this industry offers incredible opportunity to those who know how and where to look.





Car dealerships are turning to vehicle wraps to preserve a car's original paint and exterior.

The Personal Market

Personal wraps are a steadily emerging segment of the industry. They include projects as simple as an inexpensive partial vehicle wrap, all the way to an extravagantly wrapped yacht for an NBA player's birthday party (Dwayne Wade).

Using vinyl as a way to customize belongings has been a growing trend among cultural leaders and influencers.

Personalised and individualised possessions have, in turn, carried over to the culture at large, prompting consumers to separate themselves from the pack as well. This emerging market provides graphics manufacturers and installers with great opportunities, as car and wall wraps provide a unique and simple way for customers to showcase their individual tastes on their vehicles and interiors.

And with more personalized wraps comes more customers looking to improve or refresh their look after a few years, or even months. There has also been a notable rise



in other wrap applications, including boats, motocross vehicles and a wide assortment of personalized items such as skateboards and ATVs. Don't forget about leased vehicles, as well. Individuals and car dealerships alike are turning to vehicle wraps not only for their personalization qualities, but also for the benefits they bring in preserving a car's

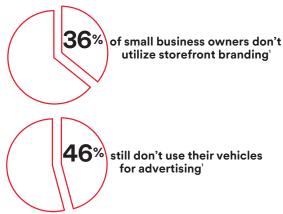
original paint and exterior.

Dwayne Wade's wrapped yacht. Photo source: sneakerfiles.com

The Commercial Market

From up-and-coming entrepreneurs to stalwart corporations, the commercial space of the wraps and graphics industry is shaped by both small and large businesses that have long dominated the numbers of purchased car wraps, fleet graphics, wall wraps and more. This industry has seen substantial growth, and there's reason to remain optimistic. Thirtysix percent of small business owners don't utilise shop front branding, and 46 percent still don't use their vehicles for advertising,

according to a recent survey of businesses.1 If you eliminate magnetic vehicle signage from the equation, that number sprouts all the way up to 74 percent. This means a large portion of companies in the country offer graphics and wraps potential — a market that graphics installers and manufacturers can turn into new business.



¹ Data from a 3M survey conducted with small business owners, March 2014 2 www.census.gov/data/tables/2014/econ/susb/2014-susb-annual.html

³ www.statista.com/statistics/281134/number-of-vehicles-in-use-worldwide/, 2015

⁴ www.afdc.energy.gov/data/10309, 2015

Changing Industries

Knowing there is opportunity for growth is one thing, but actually locating tangible new business is easier said than done. In this instance, a little information can go a long way. As you look to the future, it's imperative to know which markets will be worth your time to pursue, and which may be best to avoid.

If you have experience working with these types of businesses, you can use that experience to leverage new opportunities with similar operations that may be in need of vehicle graphics and wall wraps.

If you haven't worked in one of these particular markets, you may have just found your next source of new leads. Though you may target niche companies or have expertise in smaller markets, these prevalent industries can provide a roadmap for future success, and which ones are best to add to your portfolio of work.

Home repair companies may be prevalent in today's marketplace, but there's no guarantee they will remain that way in the

coming years. Analyzing and predicting the future success and decline of industry verticals can help dictate whom you should be working with, and where you might find the best growth potential.

Find Your Niche Market

If you're a large shop, chances are you have the capacity and capability to handle most jobs thrown your way. For emerging shops or smaller operations, finding a niche market can help you compete with oversaturation. Consider where the opportunity lies, in terms of what your shop excels at most and the existing customer base. Potential niches to consider include high-end vehicles, race cars, custom RV tour bus or city bus wraps, sporting event graphics, and professional interiors.

Potential wrap niches to consider:

- ► high-end vehicles
- race cars
- tour buses
- city buses

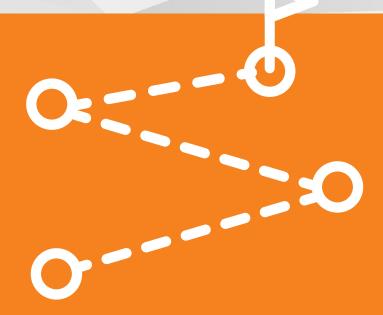




Developing a Strategy

Along with keeping up with industry trends, having the proper plans and systems in place will help contribute to your shop's growth.

A high-quality business plan and marketing strategy can make a world of difference when it comes to the short- and long-term success.





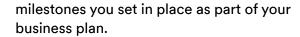
Building a Business Plan

A business plan is like a roadmap for success. Based off your understanding of the industry, your service offerings and future goals, this document should be unique to your shop and showcase where you are, where you want to be and the methods you plan to use to get there.

Areas to consider when developing or updating a business plan include:

- ▶ Marketing
- ► Operational processes
- ► Management & Organisation
- ► Finance

Once your business plan is complete, run it past someone you trust and consider to be a mentor. Having a mentor can help you work through challenging situations with both employees and customers, network to find new projects or potential new hires and hold you accountable to meet the goals and



Marketing Strategy



After defining your business plan, the next step is to develop a marketing plan. Marketing plans are not one-size-fits-all, and usually require some amount of research. By analysing the market and your core audience, you can find opportunities to take your business further.

Identifying these issues and opportunities, as well as deciding what to do next can be complex. Utilise a Strategic Marketing Analysis and Research Tool (SMART) that can show you how to complete quality research, create well thought-out objectives and tactics, analyse metrics and results, and much more.



A mentor can help you work through challenging situations



Digital Marketing

Development of a detailed digital marketing strategy that is continuously optimised over time can increase business leads and ultimately sales. Data is crucial to the implementation of a successful digital marketing strategy, and it can help you discover more about your customers and how to reach them.

For a comprehensive look at digital marketing, please download our guide to Digital Marketing for the Wrap Business.

Media

Although digital marketing is an important tool in reaching your audience, many times it involves an additional monetary investment in order to be seen. However, that isn't the case with public relations and social media marketing. In business, money makes the world go round, but the proper use of public relations and social media provide the opportunity to deliver your message across owned properties and earned media placements. It may require a bit of time and

mental elbow grease, but it won't make your wallet any lighter.



Public Relations

Public relations (PR) is a strategic communication process that builds mutually beneficial relationships between organisations and the public. Good PR is a long-term process that helps maintain and strengthen your visibility and presence as a leader in the graphics and signage industry. Whether it's a unique project you've worked on, a local business recognition, such as an award, or blooming partnerships with fellow businesses and community members, PR can drive new business to your door, provide third-party credibility and attract high-quality employees.

PR is sometimes referred to as earned media. which is not the same thing as paid media (also known as advertising).

Readers and the public perceive PR differently than advertising. Whether you're earning placements in local papers or offering expertise in industry trade publications, public relations can boost your credibility as a trustworthy business owner, helping to strengthen current relationships and generate new business.

You can obtain PR recognition for your shop by distributing news releases and media alerts, as well as coordinating editorial opportunities with industry publications, such as article placements, interview coordination and photo submissions.

Potential PR opportunities include:

- ► Unique completed projects with the inclusion of pre- and post-installation high-resolution images
- ► A business profile, including a behind-the-scenes look at your shop
- ► Local small business awards, community involvement and updates on clients' success

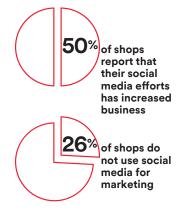
For further insight into what editorial opportunities are available to you, be sure you are signed up to receive industry trade

publications and daily/weekly eNewsletters. You can also monitor the topics in your local newspaper's business section.

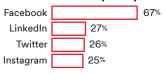


Social Media

Let's face it, social media has become one of our primary channels through which we receive information and communicate with friends and family. Through social media, you can humanise your business and create brand ambassadors. One of the great things about social media is that there are a variety of platforms, so you can identify which channel(s) best fits you and your shop. Here are a few reasons why each channel works well.



Most popular social media channels for wrap shops



Source: SDGMag.com, 2016



Facebook

Through Facebook, you can setup a business page to enhance your brand's presence and build a user community. With over a billion users worldwide, Facebook provides



People watch an average of 100,000,000

hours of video on Facebook every day, mostly on their mobile devices

Source: VendeSocial.com, 2017

a platform to engage directly with your target audience. A good rule of thumb for audience engagement is to have 80 percent of content directed for audience engagement and 20 percent directed for the promotion of your business (marketing, sales, etc.). A Facebook business page also allows you to showcase testimonials and reviews from clients, which can also show up in search engine results, leading more potential customers to your door.



YouTube

YouTube is a great tool in the graphics and signage industry, as installers are always interested in sharing and learning tricks of the trade. After establishing a YouTube channel



People watch an average of 1,000,000,000

hours of video on YouTube every day on mobile alone

Source: fortunelords.com.com, 2017

for your shop, it's important to post engaging content on a regular basis that hooks viewers within the first five seconds. This can include highlights of recent work, showcasing your design process, or any manner of content that may resonate with potential customers. Incorporating a call-to-action on the video will ensure viewers know where to find you.



Instagram

As they say, a picture is worth a thousand words. Even more so in the graphics industry, visuals are incredibly important to demonstrate the quality and uniqueness of your work. With an estimated 80 percent of Instagrammers following a business, take the steps to ensure your shop is part of the mix. A benefit of having a dedicated Instagram account for your shop is that customers and those in the industry are likely to tag a picture of your shop's work and share it with their followers. Bonus!



23%

More engagement on Instagram vs Facebook marketing

A Buzzsumo study of over 1 billion Facebook posts from 3 million brand pages found that images posted to Facebook via Instagram receive 23% more engagement than natively published images.

Source: Buffer.com

Developing a Digital Marketing Strategy

With a solid foundation in how to develop a marketing strategy and best implement public relations and social media, you're well on your way to increasing your presence in the public eye. Now it's time to take the next step towards boosting your business and expanding your reach. Check out our guide to digital marketing, and discover how it can help take your wraps business further by optimising your presence online to increase your exposure and lead generation.



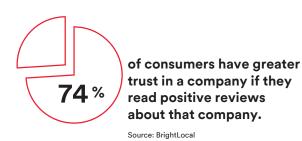
Reputation Protection

Your reputation is everything — from the quality of your employees and the materials you use to the warranties you offer and the safety measures you implement. How the public perceives your wrap shop can have great influence on your business today and further down the road.



Reputation Protection

Building a brand identity and positive reputation helps attract new customers and maintain repeat business. With endless amounts of viral information available to new and existing customers, it's more important than ever to protect your brand. Here are additional marketing recommendations on how to set yourself apart and keep your business growing:



Be the Example

If you're going to provide branding recommendations and pitch car wraps and graphics projects to current and future customers, your company's branding and graphics should stand out. The same goes for building graphics and interior wall wraps. Consider wrapping your shop front and employees' vehicles. Although it's an investment of time and resources, the impact it will have on advertising your company's brand and word-of-mouth will pay endless dividends. It will also demonstrate the quality of your work, which is incredibly helpful when showcasing design options to potential customers.



Consider wrapping your shop front and employees' vehicles.

Position Yourself as a Brand Advisor or Offer a Branding Program

Use your expertise in the wraps and graphics industry as a creative enterprise to go beyond simple job execution. Become a brand advocate to partner with your customers and offer your expertise on how to improve their brand, leverage their voice, and boost their image. Utilising resources such as 3M Brand You can help you connect business owners with educational resources and inspiration from industry leaders and branding experts. Instead of just graphics, you can offer a complete branding service for companies looking for a fresh start.

Always be Fully Transparent

A majority of your customers will come to you without any previous experience with wraps. They depend on you to set expectations about what the process will be and what is needed to execute a project efficiently and effectively. To ensure you're being fully transparent, consider writing a creative brief so you and your customer are on the same page from the start. Also, be sure your contracts and estimates are current and that you have clear communication with your customer. The goal here is to create a system that prevents potential misunderstandings and builds your reputation of being easy to work with and potentially mistake-free.



Customer Education Effectiveness, Product Selection, Additional Applications

As vehicle wraps and other graphics applications continue to gain popularity, the growth opportunities in both the commercial and personal markets are beginning to converge, offering the chance for new business in each sector. Educating customers on the value and versatility of wraps is crucial — and there is data to prove it.



Customer Education: Effectiveness, Product Selection, Additional Applications

Vehicle advertising has been proven to be one of the most successful and affordable forms of marketing. The rate is markedly more efficient than average rates for television, print, radio and other forms of advertising.

Advertising with wrap film and graphics is a cost-effective strategy, but does not need to be limited to cars or fleets.

Today, just about anything can be wrapped: walls, floors, boats and textured surfaces the list is practically endless. However, many people do not realise all the possibilities that exist. Often times, it's up to you to educate your market about replacing paint, interior graphics and wall coverings with vinyl films.

Existing customers are a great place to start for expanding your business. Perhaps you've done vehicle wraps for a small business in your local area or wrapped a company's fleet. But have they considered other ways that graphics and wraps can be used to promote their businesses? Many times, they aren't

aware of the plethora of options, and it is your job to help them understand what's out there.

A good way to visually demonstrate to your customers all that is possible with wraps is to transform your shop into a showroom.

Utilise perforated window film, floor graphics and textured surfaces like brick in your work area to showcase the capabilities of graphic films. This can help them envision ways to incorporate wraps to brand their shop front, or use temporary graphics to communicate a short-term, seasonal promotion that can be easily changed out with an ultra-removable film.

It's also a good practice to have a digital and physical case study workbook to show customers. Investing in a quality camera and time to record and photograph every project you work on can pay off exponentially. If customers are unsure of what they might want, you can show them examples of projects you've done, along with exposing



Invest in a auality camera and take a photo of every project.



Customer Education: Effectiveness, Product Selection, Additional Applications



Have a digital or physical case study portfolio to show your customers examples

them to graphics installations they didn't know were possible.

You never know what project may spark interest in someone — it could be the largest project you worked on or a small job you almost forgot about. Having a cataloged history of your company's work will also help support your marketing initiatives and help recall project details for a new business opportunity.

Develop New Ways to Use Products

The only way to educate your customers on all the possibilities that wrap film and vinyl products can offer is to know them yourself. With 3M, you have access to products formulated for almost every application and surface, which means the designs and color combinations are practically endless. Finding new ways to use products is easier than ever with everything that's on the market today. Now there are printable reflective films, metallic and clear films. special effect overlaminates and more to enhance your projects, and expand your creative potential. Technology has also generated films specially engineered for brick and other substrates that would normally pose a challenge for wraps.

Even with all the options, it can be easy to fall into a routine. To jumpstart your imagination, check out our Instagram page.



Finding New Ways And New Places To Use Wrap Films

Nearly every surface can be a substrate. If it is visible to the eyes, it is a piece of advertising real estate. When working with customers, propose coming for a tour of their facility or inspecting their entire fleet. You may see areas of vehicles, office rooms or unusual exterior portions of their buildings that are perfect for wraps and graphics that your customer may have never considered. Additionally, don't forget to borrow inspiration from others. Some of the best art and music comes from incorporating styles

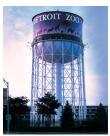
or samples into new creations. Subscribe to trade publications and follow other wrap shops on social media. You never know where the latest and greatest design will come from, or when your own customer may be in need of such a creation.

By developing new ways to use film, you can show your customers all that is possible and attract new clients. Pushing the creative envelope with unique projects and designs can get you noticed in the industry, and gain positive exposure for your shop. To learn more about how to gain visibility for your shop, read about digital marketing here.



Wrap inspiration gallery













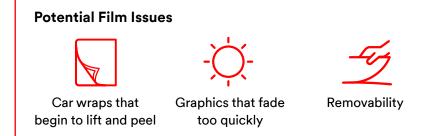
Quality Materials

If you've been in the wraps and graphics manufacturing business for any amount of time, you've likely noticed a rise in individuals and companies offering similar services. However, many of these may not rise to the same high standards you provide. Every industry sees low-ball prices and undercutting, but trying to compete with other shops by engaging in a price war can be the road to ruin.



Companies that have the experience and results to prove their worth should not compromise their reputation. It's all about selling value over price. Price undercutting will happen, but it will never be able to compete with the expertise and quality you offer – both in terms of service and product.

A common result of low-balling and price undercutting is a poor end product. Companies may be able to win the initial business, but inferior products and talent lead to inferior results.



These companies will quickly become known for their poor work, and you'll likely be the company their customers turn to for future

projects or to fix the poor wraps they've already received. That is why using quality materials for every project is so important.

Brand Quality

Graphics manufacturers, shop owners and industry leaders have expressed what the 3M name represents to them and their businesses. They trust 3M products because 3M is a name that is recognised globally and appeals to customers. It is a brand they are familiar with. Whether they've used Post-It® Notes or Scotch® Tape, they have likely used 3M products in some capacity. Customers will be more comfortable when they hear 3M material is being used on their cars or walls than a lesser-known company.

Check out the impact 3M Wrap Film can have on the quality of your work and the reputation of your business.









Accurate Estimates

Accurate estimates and pricing are crucial to the success of a wrap and graphics installation business. Proper pricing helps set expectations between a graphics manufacturer and a brand owner about the costs of a project, and it sets a precedent for future work with that client.



Accurate Estimates



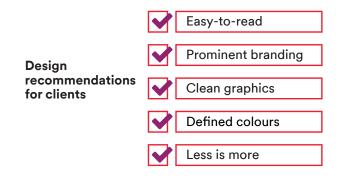
Ask for a down payment on new projects, payable before the project starts

When crafting an estimate, how much square footage of material you'll need to complete a project is one factor. Keep in mind, for difficult installs, such as vehicles with a lot of curves, it is important to account for a little extra material, so you don't find yourself short. If you're seeking a seamless wrap, the more material you have to work with, the better.

Regarding design costs, consider vetting potential customers to determine how serious they are about doing business, before starting any design work. One way to do this is to ask for a down payment on a project, before design costs ensue.

On occasion, you will meet a customer who wants to incorporate everything in a single design. You have the expertise to remind your customers that to get the most out of their wrap, they should do everything possible to ensure the message is easy to read and gets to the point quickly. It's also helpful if they can give an example of a design they like.

If you find yourself going back-and-forth with a customer, direct them to 3M Brand You, an educational website for brand owners, or you might invite them to your shop to spend 15 minutes with your designer. Meeting faceto-face and making changes to a design could save you and your customer hours in design time.



Accurate Estimates



Pricing goes beyond the use of simple products and time. It also encompasses overhead costs, the entire creative process and potential revisions. Understanding the full picture, cost of labour and films, and ensuring you provide a clear plan and expectation to your customer will help ease the process, and save your bottom line. For more information on estimate best practices, please reference the 3M whitepaper, Managing Your Wrap Business's Bottom Line.

Whether you use a pricing software system or generate estimates by hand, it's important to have costs solidified as early on in your business as possible in order to provide consistent estimates of work, mark up product costs accordingly, and identify potential areas of lost revenue. Laying the groundwork early on could mean more money in your pocket and help ensure the success of your shop.

"The majority of shops report using some kind of price-per-square-foot pricing formula.... Other pricing structures used, such as pricing specifically by the complexity of the job, charging a flat hourly shop rate, or pricing based on time and materials used."

- Sign & Digital Graphics, 2016



Attracting and Keeping Skilled Talent

Your wraps will only be as good as the talent installing them. Whether you're a small wrap shop or a booming franchise, hiring skilled and trustworthy employees is a major factor that spurs growth and success.



Attracting and Keeping Skilled Talent

Building a fantastic wrapping team starts with you. If you are running a reputable shop, skilled and dedicated people will want to work with you. When people like where they work, it shows in the quality of the services they provide. While skill level and competency are major factors when considering someone for a job, ensuring they will be a good cultural fit is just as important. One bad hire can bring down company morale and throw off the balance of your dedicated group of installers and designers — even if it was a strong, compatible team to



Engaged employees are less likely to look for a job with a different organisation

Source: Gallup News, 2015

begin with. Candidates who leave the ego at the door and have a positive, can-do attitude will only benefit your shop.

Once you've built a strong team, it's important to show how much they are valued. People who enjoy their jobs are more likely to stay long term and encourage other fine workers to join the team. Treat your workers with respect and find ways to show them that they are appreciated. This can come from a comfortable pay rate,

An employees' most memorable

Peers



9%

sufficient days off, benefits and setting an example that all parts of the team matter. Eliminating the distance between owner and employees is also important. Remember that no job is below you. Helping out on all ends will show the crew that you are as much part of the team as anyone else. If you make the shop an enjoyable place to be, there's a better chance your workers will stick with you for the long haul.



Consider bringing in a subcontractor when you are understaffed or need a higher or more specific skill set.

Using Subcontractors

One of the downfalls of working in the wrap business is that there can be an excess of prospective projects, but not enough workers to get the job done. Shop owners are often faced with the tough decision of whether to hire full-time employees or hire independent contractors. When you're understaffed or you need a specific skill set, bringing in a subcontractor can be a beneficial option.

Subcontractors are often a better choice for larger companies, giving the business more flexibility when it comes to customer demands and managing cash flow. Working with subcontractors can help protect your bottomline and reduce the need for management and training. However, it also can lead to less profit potential on certain projects. Full-time employees, on the other hand, are optimal when there is consistent work. Whether they come in with the necessary skills or you invest in their training, permanent employees are able to adapt to the shop culture and facilitate work the way you want it to be done. Hiring a full staff

often works well within small companies where diverse skill sets benefit unique dayto-day projects.

Identifying your staffing needs and what will work best in your shop is the first step in developing company culture. Creating a work environment where employees feel valued and enjoy spending time will help you find more good workers when needed and help keep them on your team. Establishing this base will build up your shop's reputation and your happy employees will help you bring in more skilled people in the future.

Worker Safety

Maintaining a safe work environment is important for both the well-being of your employees, and your bottom line. Injuries can be costly, and running a safe shop can influence talent retention and your brand reputation.

Prioritising cleanliness in your shop provides an alluring and trustworthy aesthetic for customers and adds to shop safety. Clutter

Attracting and Keeping Skilled Talent

or an unorganised workspace can lead to accidents. Place all parts and tools back in their respective spots after use. Also, be sure that walkways are clear and remove any unnecessary items, such as brooms and stools, from work areas. A clean shop not only benefits overall safety and workflow, but is a useful marketing tactic. A clean and tidy shop exudes quality and professionalism, providing a level of trust for new and returning customers.

Running a safe shop will aid you and your team in producing high quality wrap projects, and maintain a respectable reputation in the industry. Implementing safety-training days is a good way to ensure that all your employees, both new and old, are aware of the shop rules. Have all shop safety rules clearly posted in the working environment to remind your employees, and help you avoid fines if an accident does occur.

Having an expert come in to inspect your shop for possible hazards will save you trouble in the long run.

A few additional best practices to consider



After washing and cleaning cars, always move them to a dry area to avoid working in slippery areas



Once liner is removed from the wrap vinyl material, be sure to remove it from the walking area to avoid slippage



Follow proper procedure for breaking blades to prevent avoidable hazards and cuts

Taking action before accidents occur will lower the likeliness of workplace mishaps that result in injury. Be sure to dot your I's and cross your T's when it comes to workplace safety. A safe shop will save you money, keep your employees safe and earn you a good name in the industry.

Conclusion

No matter where you are as a company, there's always room to get better. With shifting industry trends and marketing landscapes, old and new dogs alike must learn new tricks to stay ahead of the competition. There's never one perfect answer to growing your wrap business, but instilling best practices and strategic planning across a wide range of company initiatives will pay off in the long run.

New business can come from anywhere. Referrals and repeat business are the clear standouts, but social media and web searches, articles in local and national papers, and comprehensive digital marketing can also make a dramatic impact on who walks through your door or enters your inbox. Melding talent, industry knowledge, marketing and professionalism is a recipe for success and what makes this industry so unique and special.



3M Commercial Solutions Digital Marketing Resources

If you found this article to be helpful, we invite you to check out the following articles, all aimed at helping you build your graphics manufacturing business.

- ► How to Use Digital Marketing to Reach Customers
- ► Managing Your Wrap Business's Bottom Line
- ► A Guide to Digital Printing



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