

Online giant netPrint captures Russian photo print market with HP Indigo technology



At a glance

Industry: Photo Specialty

Business name: netPrint

Headquarters: Moscow, Russia

Website: netprint.ru



Challenge

- netPrint needed a digital print solution that would enable it to pioneer the nascent photobook market in Russia and offset declining sales in traditional silver halide photo production. It wanted to create an online portal offering customised individual photographic merchandise.

Solution

- netPrint installed the HP Indigo 5000 Digital Press that proved so successful the company added three HP Indigo 5500 Digital Presses, each of which delivers optimal print quality across a range of media and substrates.

Results

- netPrint's digital prints now account for 80 per cent of the business and are growing 25 per cent year on year, allowing it to balance declining sales of traditional photo prints.
- The HP Indigo Digital Presses have boosted the company's productivity, allowing it to produce 5,000 calendars and 1,500 photobooks per day during peak times.
- The HP Indigo Digital Presses enable netPrint to offer a wide range of innovative products, including photobooks, customised calendars and other related merchandise which are then delivered within 48 hours.

“Investing in the first HP Indigo digital press was a big risk because there was no similar machine in our market and it was a whole new phenomenon. HP won us over by demonstrating the wide range of products it can create.”

– Ilya Novichkov, CEO, netPrint

Founded in 1994, Promimpex has built its business to become one of the largest photofinishing companies in Russia with over 70 per cent share of the local market. To achieve this, the company made an early transition to digital printing with an online portal called netPrint, where customers can use its proprietary software to create photo items. Today, its digital approach enables it to produce customised, high quality photobooks, prints, calendars and related photo merchandise quickly.

Growing digital demand

Since entering the market for online digital printing in 2004, netPrint has seen demand rise steadily to the point where digital now accounts for 80 per cent of the business. With online sales growing by 25 per cent year on year, it is essential that netPrint has a reliable and high quality digital print solution to meet the customer orders.

“In 2006, we purchased our first HP Indigo 5000 Digital Press to enable the digital product of our first personalised calendars. Sales from these calendars repaid the investment in the digital press within the first six months,” explains Ilya Novichkov, CEO, netPrint. “We then decided to produce photobooks but, as it was a more complicated project that required special software for online editing, it took us more time to implement.”

The company has been able to remove some of the risks associated with the traditional photographic process by choosing HP Indigo digital technology. Traditional printing on silver halide is expensive and the price depends on market fluctuations and unreliable suppliers. Because, the HP Indigo Digital Press can print in high quality on coated paper, netPrint can manage its costs more effectively without compromising on quality.

“The photobook market is very competitive with a lot of companies working in the area, however, these companies are generally small, attracted by the high-margin products involved,” says Novichkov. “In order to produce large quantities while maintaining quality, you need to invest in the best equipment and not all small companies can afford to do that.”

Since the initial investment in 2006, netPrint has added a further three HP Indigo 5500 Digital Presses, which now account for 45 per cent of the company’s total output. These enable netPrint to offer photo printing, photobooks and calendars in a range of sizes and media. The company has also recently introduced layflat books which are particularly popular with professional photographers.

“The purchase of HP Indigo equipment enabled us to enter the new market of digital offset to produce photobooks on demand in single quantities. Traditional offset machines are designed for long runs but HP Indigo allows us to produce personalised photobooks,” adds Novichkov.



Simplicity meets creativity

Ordering the products is a simple process. Customers can choose to upload their photos to a standard layout or use the more sophisticated and creative online editor, which allows them to customise the end product. netPrint then delivers the finished article within 48 hours.

At peak times, the company produces 5,000 calendars and 1,500 photobooks per day. One person can operate up to four HP Indigo digital presses without a drop in quality so the only additional personnel the company needs is for sorting, packaging, and other non-professional jobs. This ability to scale production sets netPrint apart from its competitors.

“During peak seasons the capacity on the four machines reaches 55 to 60 per cent, which gives us some reserve for maintenance work as we are talking about round the clock operation,” remarks Yegor Grishin, development director, netPrint. “Presently, we have enough capacity, but we are growing and I believe we will need to add to the fleet in the future.”

“HP has played a significant role in the development of our company. It prompted us to enter the photobook market because we did not know much about it at the time and when HP showed us the equipment and told us about its capabilities, it was a cornerstone in our development,” concludes Novichkov. “Furthermore, HP actively helped us in our development, providing information about new products and helping us to implement these solutions within our company. We are delighted to partner with HP, and our future is linked with this leader in the digital printing market.”



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