PRINT INDUSTRIES

SALES COMPENSATION

2022 REPORT

Sponsored by LB Carlson & Rochester Institute of Technology (RIT)

Contents

Americas Print Association Network

Together, Americas Print Association Network has a rich history dating back to the late 1800s. Their experience and skill serve and support in the success of the printing industry across North America.

Sponsors

RIT's graphic media science and technology programs prepare students to excel in print and graphic media, and to serve a broad range of industries in need of innovative thinkers and creative leaders. Earning a BS in Media Arts and Technology or an MS in Print and Graphic Media Science, RIT students emerge as leaders in the print and graphic media field. At RIT, we apply science to fuel the creative process.

LB Carlson is a CPA and management consulting firm that has specialized in providing services to the print and graphics industry for more than 45 years. LB Carlson understands the unique challenges within this industry and has become the service provider of choice for many print and print-related organizations. They provide business consulting, merger & acquisition, tax, attest, SOC reporting and accounting services. To learn more, visit their website at lbcarlson.com.

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Teresa Campbell is President of Printing & Imaging Association of MidAmerica, a dynamic association helping nearly 500 print, visual communications, and marketing firms in Texas, Kansas, Oklahoma, and Western Missouri achieve their business objectives. Teresa is a co-founder of Print Industries, a workforce development organization serving the advanced manufacturing sectors of print and graphic communications, and also serves as Chair of Americas Print Association Network.

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Introduction to the Print Industries Sales Compensation Report

In today's competitive print marketplace, attracting and retaining top sales professionals is essential. Ensuring these sales representatives are incentivized with tools and policies to maximize corporate sales goals is equally critical. The 2022 Print Industries Sales Compensation Study was conducted during the first quarter of 2022 by *Americas Print Association Network*, with the express purpose of benchmarking best-in-class sales compensation practices, policies and benefits.

About the Study

The purpose of this study is to document sales performance, company policies and benefits, as well as common sales compensation practices, for the purpose of benchmarking. The study is not designed for insider-sharing, reducing competition, or violating antitrust laws, but rather it provides readers a look at the industry as a whole and highlights best-practices for improved sales performance and compensation. Participating companies have the opportunity to learn industry practices, increasing their competitive offerings and boosting profitability.

The survey used for data collection was initiated in April, 2022. Association Network members were invited to participate via email with a link to the survey.

Anonymity

Anonymity is essential to this study to ensure confidential, as well as promote participation. All data is reported in aggregate with anonymous plots and graphs. In some cases, X and Y-axes are deliberatively truncated to hide maximum values. This ensures specific sales representatives' salaries or commissions are not identifiable to particular companies or individuals.

Methodology

More than 100 companies participated in the 2022 Print Industries Sales Compensation Study. Americas Printing Associating Network member companies were invited to complete the detailed online survey, which sought input about their sales practices used in 2021. The survey was divided into three parts: 1) Demographics, 2) Sales practices and policies, and 3) Sales performance and compensation.

Research Sampling

To reduce the overall time required to answer sales performance and compensation questions for larger sales organizations, population sampling was employed. In companies with five or fewer sales reps, questions were answered about their entire sales group. Organizations with more than five sales reps from one or more sales

groups were asked to rank their reps by sales volume. From this group, specific sales reps were selected representing Max, 75th, 50th (median), 25th, and Min rankings, as illustrated below. The survey asked for specific rep ranks. Participants entered data for up to five sales representatives per sales group.
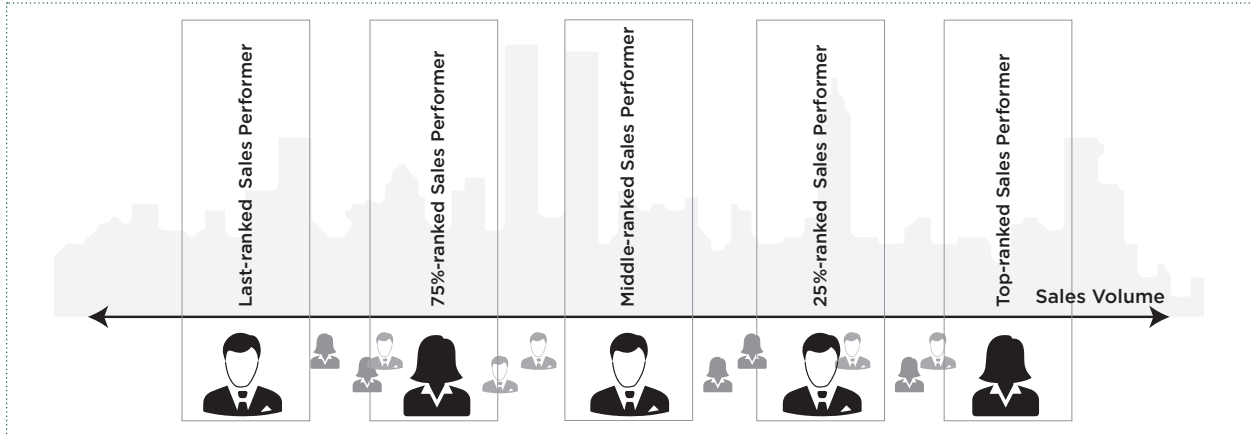

This sampling methodology allowed the calculation of Mean, Median, Quartiles, Max, Min, and Ranges for large sales organizations, without the burden of entering repeated data for every representative in a sales group.

Understanding the Graphs Used in this Report

There are two types of graphs used in this report for displaying collected and analyzed data.

Bar Graph

The first is a conventional bar chart used for categorical questions, likely very familiar to readers:

Commission Frequency

Monthly	67%
Quarterly	10%
Weekly	10%
Bi-weekly	8%
Bi-monthly	4%
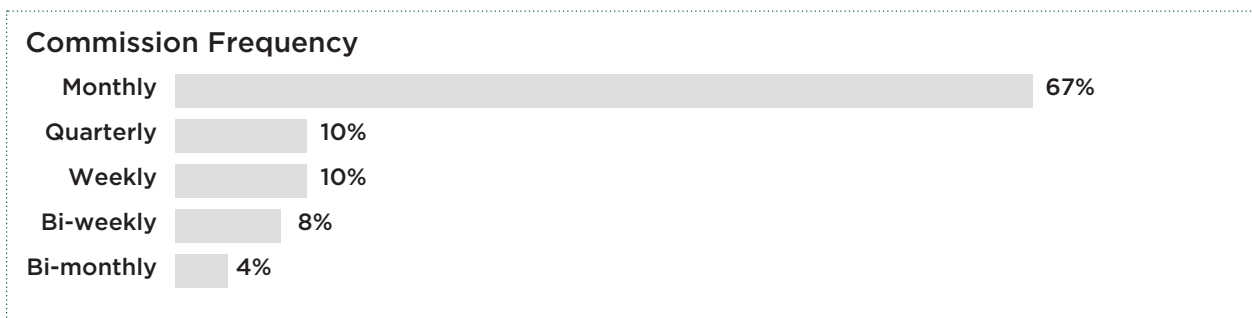
Readers easily interpret this graph as the majority (67%) of respondents pay sales rep commissions on a monthly basis. Ten percent pay quarterly and ten percent pay weekly.
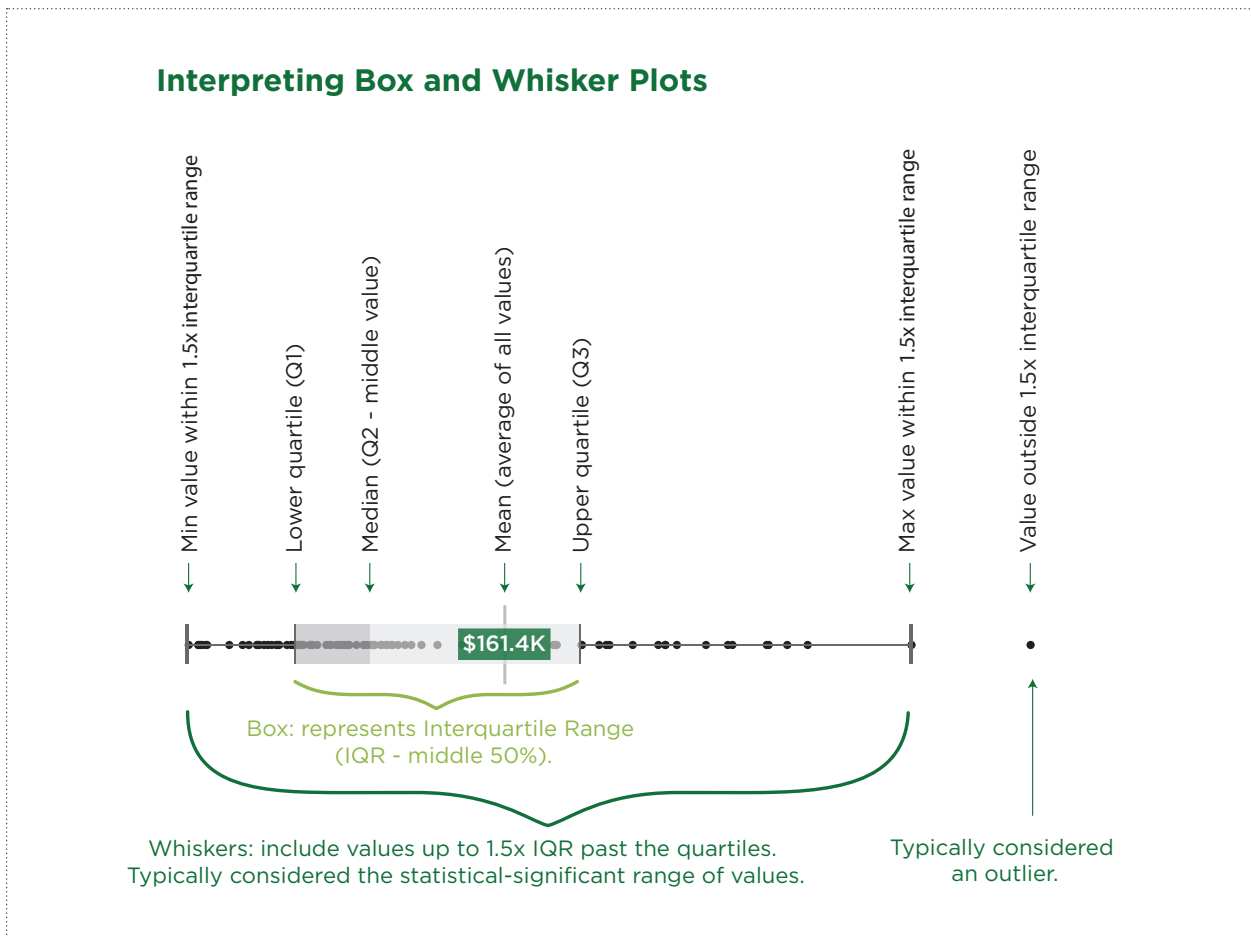
Box and Whisker Plot

The second type of graph is a bit more detailed and shows many dimensions simultaneously:

$161.4K
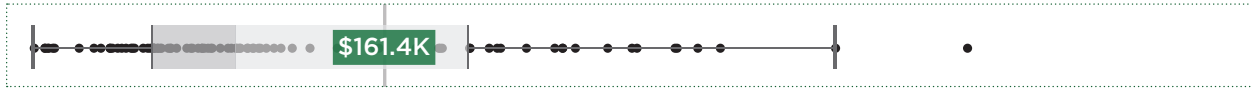
The **bar and whisker plot** is used for numerical values to show the spread of the data, the statistically-significant variation, the mean, the median, quartiles, and outliers.

To interpret box and whisker plots, one needs to know the nomenclature and the meaning of the various marks.

Interpreting Box and Whisker Plots

Min value within 1.5x interquartile range

Lower quartile (Q1)

Median (Q2 - middle value)

Mean (average of all values)

Upper quartile (Q3)

Max value within 1.5x interquartile range

Value outside 1.5x interquartile range

$161.4K

Box: represents Interquartile Range
(IQR - middle 50%).

Whiskers: include values up to 1.5x IQR past the quartiles.
Typically considered the statistical-significant range of values.

Typically considered
an outlier.

Readers correctly interpret the above plot as a $161,400 mean salary, recognizing the median salary is considerably less than that (point where dark and light areas meet in box), due to several values skewed right. The above distribution is not **normal.** Normal distributions have equal means and medians
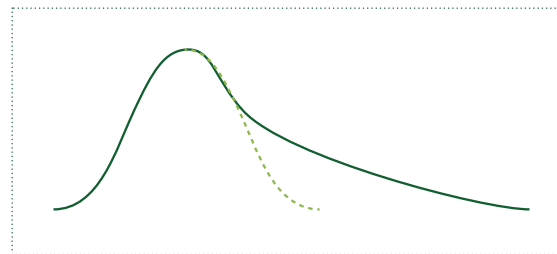
with relatively similar values to the right and the left of the mean. The above plot is well-illustrated as the dark green line in the distribution plot to the right, rather than a normal distribution shown by the dotted light-green line. Most of the data in this report is not normal, and therefore most plots have medians lower than means, due to a few high-performing sales reps skewing data to the right.

The **whiskers** in the box and whisker plot extend and include values up to 1.5 times the spread of the middle 50% values (from 25% to 75%), called the **Interquartile Range (IQR)**. Typically, values that extend 1.5 times below the IQR and 1.5 times above the IQR are considered significant. Values outside this range are frequently considered outliers, which merely means they are anomalies. In this context, that doesn't mean they are inaccurate, but merely unique values from high-performers and should not be considered typical.

As noted above, for the purposes of anonymity, some outlier values from high-performers are **not displayed** on the X-axis purposely, though they are included in mean calculations.

Mathematical Rounding and Value Anomalies

While every attempt was made to maintain accuracy and transparency, due to the nature of data analysis, one may find graphs that do not total 100% even though they seem as they should. In most cases, this is due to rounding errors. Occasionally, some values were purposely hidden in an effort to ensure anonymity. For best understanding, the reader should look for relationships between and among the data, even with apparent rounding issues.

Survey Demographics

More than 100 companies participated in the 2022 PI Sales Compensation Study. The 108 companies represented 157 sites, 662 sales representatives, and more than $2 Billion in annual sales volume.

Participants Surveyed

Participating Companies	108
Production and Sales Locations	157
Sales Representatives	662
Total Annual Revenue	$2.04B

While commercial and Packaging/Labels represented the top two spots in terms of sales revenue, Packaging/Labels dropped to number four in terms of number of companies and reps. Total revenue of participants is broken out in the following table.