

Implementing the right solution for your business

As part of the Brother
Digital Transformation series



Research-led
thought leadership report

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Making the most of your technology budget

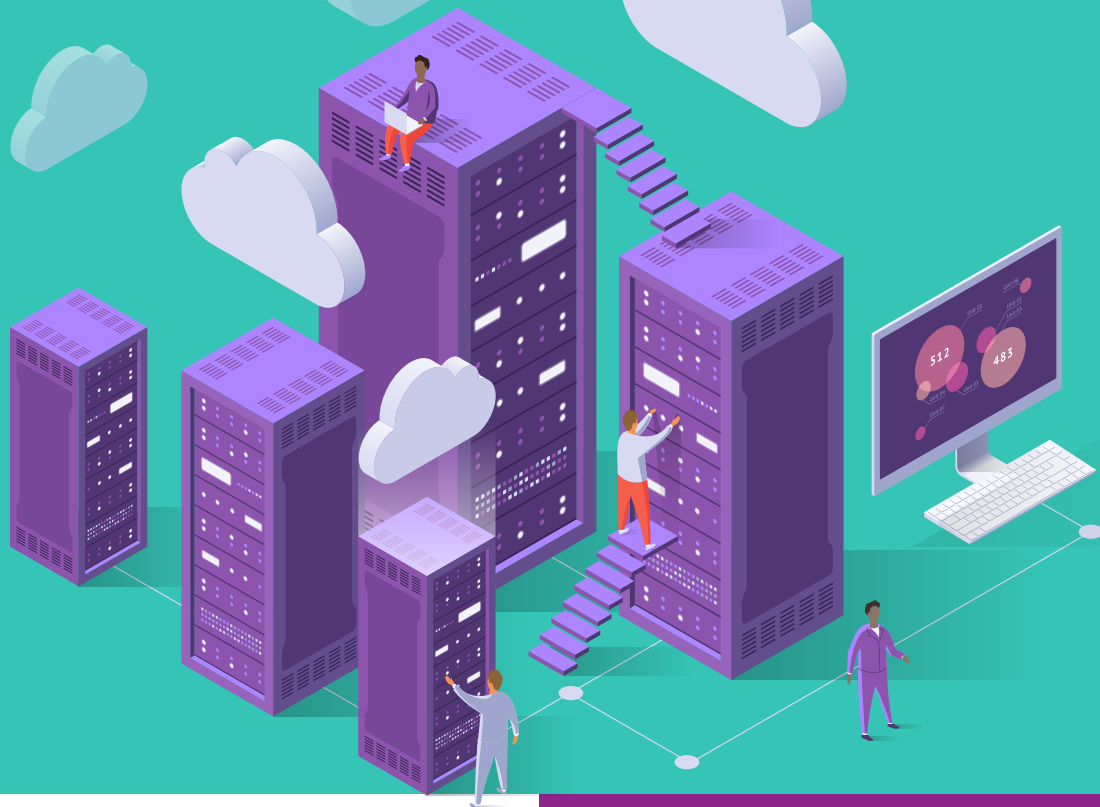
Technology is at the heart of successful business practice. However, it is vital that budgets for technology are spent as effectively as possible so that hardware is not bought for the sake of it

The printing ecosystem is no different - printing has always been a major expense for businesses; however, it is an area that is becoming increasingly complex due to advances in printing technology, meaning businesses need to think carefully about the solutions they wish to adopt.

Our research demonstrates that there are three key ways in which businesses must manage their modern hardware in order to maximise the efficiency of their wider printing ecosystem whilst also minimising cost. Firstly, organisations are moving toward leasing their printing equipment, rather than buying it outright. Secondly, we are seeing companies choosing to work with fewer technology suppliers than they have in recent years. Finally, successful organisations are leveraging the expertise of their technology supplier to understand and thrive in an increasingly complex market for printing technology.

This report is designed to help small and medium sized business (SMB) decision-makers identify and implement transformative printing technology effectively within their organisation. It is part of a wider series that aims to inform decision-makers on how to best utilise digital technologies within small and medium sized organisations. The reports are based on a robust programme of research undertaken amongst SMBs in the EMEA region. The series is split up into four reports, each tackling one of the following themes:

- Digital workflows
- Implementing the right solution for your business
- Security
- Sustainability



Maximising productivity of the printing setup

Workflow assets - such as printers and scanners - need to meet two fundamental criteria. At an operational level they need to be dependable, with little downtime, and up-to-date with the latest technology. On a performance level they should optimise efficiency. To do this they need to be fit-for-purpose and easy to use.

In the context of printing devices, this is reflected in the key factors that business decision-makers tell us are most important. When we take cost of the device out of the equation: businesses look for a device that is easy to use and able to integrate with systems already in place, has up-to-date technology and uses cloud storage which is more secure, and can be easily and swiftly fixed when something goes wrong.

As technology advances, there are ever more systems to support business workflows. Often these systems require specific, proprietary expertise to get the most out of them. Having the necessary skills to manage multiple system requirements can be challenging for businesses, diverting attention away from core business tasks.

Most important factors for choosing a printer device



Ability to repair parts when they break (modular repair)



Cloud storage



Easy to integrate with existing systems



Up-to-date technology



Easy to use

Moving towards Operational Expenditure (OpEx)

Traditionally businesses have invested in their hardware upfront, requiring initial capital outlay as well as ongoing operating and maintenance (O&M) investment.

However, the upfront investment can be a burden for businesses, while at the same time the assets themselves rapidly depreciate in value and become out of date.

As a result, we are starting to see businesses shift towards OpEx (Operational Expenditure) models for their investments where they lease hardware with the ongoing maintenance managed by the supplier. Our data shows two out of every five businesses are leasing some of their technology hardware, with one in six businesses primarily leasing all their hardware.

However, there are still a significant number who are not yet leasing their technology hardware, and who are prepared to make the upfront investment. In particular, this is more common amongst smaller SMBs with between 10 and 49 employees, with only around a third (34%) leasing any of their equipment.

When companies do start leasing their equipment, rather than investing in the hardware upfront, they see three clear benefits: greater financial efficiency, workflow time savings, and having the optimum solution in place with the most secure and up-to-date technology.

Businesses are following this trend towards OpEx models with their printers. More and more businesses are starting to use Managed Print Services (MPS), often providing them with a leased printer device based on an upfront assessment of their needs, ongoing monitoring to ensure it is working to an optimum level, automatic replenishment of ink and toner, maintenance and repairs as well as invoicing based on usage.

Ultimately, this ensures businesses get the best printer for their specific needs, while losing no internal resource and time to ongoing maintenance.

Top ten benefits of leasing your technology hardware, rather than investing upfront



Financially beneficial

- 1 Only paying for what you use
- 2 Cost savings
- 3 Able to spread payments to ease cash flow



Saving time and hassle

- 4 Time savings maintaining hardware
- 5 Experts on call to assist with problems with hardware
- 6 Reduce hassle in maintaining hardware
- 7 Able to focus on business at hand and outsource activities you don't need to worry about



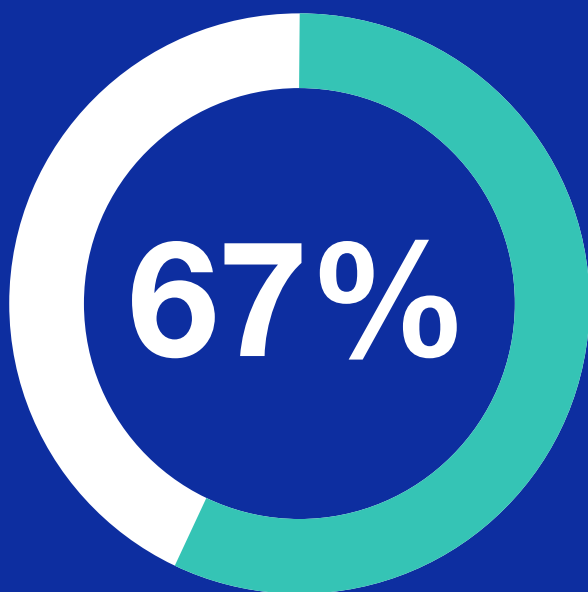
Ensures we have the optimum solution

- 8 Access to expertise to advise on best hardware for you
- 9 Technology is automatically upgraded when newer models are released
- 10 Have the most up-to-date security on your hardware

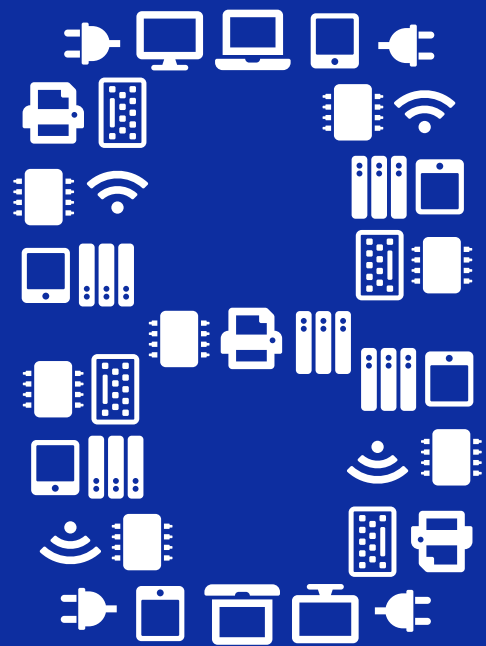
Supplier consolidation

As the range and complexity of technology assets expands, businesses find themselves with a wider portfolio of hardware and software to optimise and maintain. This often also entails a growing supplier base to manage and finance.

In 2019, on average a typical business was working with eight different technology hardware suppliers across their organisation, an increase on the number they were working with just three years before.



Two-thirds (**67%**) of businesses are considering consolidating the number of technology hardware suppliers they use further over the next three years.



Average of 8 technology hardware suppliers

This scenario often leads to a complex and unwieldy mix of systems which are not fully integrated. It is time for businesses to start consolidating the number of suppliers they work with to help them better manage both their systems and supplier relationships.

Businesses are starting to consolidate. Already, the average has dropped from eight technology hardware suppliers to six over the last 12 months. This is likely to keep going down, with two-thirds (**67%**) of businesses considering consolidating the number of technology hardware suppliers they use further over the next three years.

This is expected to deliver significant benefits. Three-quarters say that it simplifies the process (**72%**); with fewer invoices, a single point of contact and a stronger relationship. And it's easier to security check one provider, helping them to maintain high security. Close to three-quarters (**71%**) also say it improves service quality; with a closer account manager relationship, systems better tailored to their organisation's specific needs and problems resolved more swiftly. Finally, there are efficiency gains to be made through bulk buy savings, greater negotiating power and simpler systems integration.

Leveraging the expertise of your technology supplier

The printer, whether it's used for printing, copying, or scanning, is an integral part of successful business workflows and has the power to cut out large chunks of administrative burden. Investing in the right technologies is therefore critically important to ensure the right devices and services are put in place to meet specific workflow demands. However, even decision-makers responsible for maintaining printing equipment do not necessarily have the expertise required in-house to ensure the right technologies are deployed.

Your printer device provider should be best placed to conduct a comprehensive assessment of your organisation's printing requirements and be able to recommend the optimum device and services to meet your needs. They can also ensure that more complex printing systems are properly maintained; as their capabilities grow so too does the complexity of their maintenance.

Yet, while three-quarters of businesses (**78%**) have an ongoing contract with their printer suppliers, the majority of these receive only a basic service covering hardware, servicing and/or automatic replenishment of ink, toner or other consumables.

Despite the fact that having low or no downtime is an important criteria for the vast majority of businesses and a similar number say that fast call out is important when something goes wrong. Less than half of businesses (**47%**) have servicing and repairs provided by their manufacturer, and less than a third (**30%**) of businesses receive a needs assessment from their printer provider.

Those who do lease printer hardware suggest that some of the most significant benefits relate to the expertise of the supplier, with **28%** saying they value having experts on call to assist with problems, and **27%** agreeing that expertise is useful when understanding what solutions will best fit their needs.

Simplicity	Service	Efficiency
Fewer invoices	Higher level of service	Bulk buy cost savings
Single point of contact	Closer relationship with account manager	Easier integration across technology hardware
Easier relationship management	More closely tailored to your business	Better negotiating power for purchasing
Easier security checks	Easier to fix problems when they occur	





Businesses that recognise the importance of keeping their printer up and running, compared to those who are currently receiving the service to do so:

Looking to your trusted suppliers to provide intelligent integrated workflow solutions will allow your business, and its employees, to focus on the work that adds the most value.

This provides an even greater incentive for SMBs to consolidate suppliers, as working with fewer vendors allows businesses to forge better relationships with them. This will mean that suppliers are better able to understand the print environment and apply their expertise to the organisations they work with.



82%

Businesses that say it is important that their printer has low or no downtime



47%

Have servicing repairs from their manufacturer



30%

Receive a needs assessment from their printer providers

The Brother approach

Brother offers comprehensive yet flexible Managed Print Services (MPS), built around the specific needs of your business.

At the core of our offering is our “At your side” support. It means we do everything we can to ensure your business has an effective MPS that benefits your business every day – and we’re on hand to help when you need us. It all begins with a consultation with Brother specialists to establish your needs and challenges. This is split into three phases: Assessment, Transition and Optimisation. Each phase has several service options that will enable a solution designed specifically to your needs.

Assessment Phase: Designing your perfect Managed Print Service

The Assessment Phase is focused on understanding your business needs and users’ printing habits. The goal of this is to design a sustainable, optimised, customisable solution, which ensures the right printers are in the right place throughout your business. We’ll carry out an asset audit, assessing user productivity and current printing fleet infrastructure.

This audit will investigate elements like Total Cost of Ownership (TCO), security requirements and print policies, user productivity and printer utilisation, and CSR policies and sustainability goals. Ultimately, we’ll use this to develop a solution specific to your needs that will maximise efficiency and minimise hidden costs, resulting in a more balanced approach.

Transition Phase: Putting everything in place

We understand that company-wide IT change can be a minefield for potential issues and introduction of risks. We have developed an exceptional suite of services in our Transition Phase to ensure your switch to Brother MPS is smooth, efficient and free from such risks.

Our team cover everything from delivery and installation to configuration and implementation, training staff and providing associated materials. We’ll also safely dispose of your old devices to current legislative regulations and integrate MPS service desk processes with your own service desk. This results in an extremely well managed project and a smooth operational changeover to your Brother MPS for everybody in your organisation.

Optimisation Phase: Making sure everything works perfectly

Optimisation is about ensuring everything is the best it can be. It involves preventative and reactive support from Brother. As part of our periodic business reviews with you, our team review day-to-day operational demands and requirements. Continually assessing device availability, capacity and utilisation we will establish if your MPS is working as well as it can for you, even as your needs change. This is all part of how we consistently assess your needs and ensure your MPS is as fresh at the end of contract as it was at the beginning.





Final thoughts

Our research shows that it is vital for decision-makers to consider exactly how printing technology is implemented within their organisation, as well as what equipment they are looking to purchase.

Moving to an OpEx model allows a greater degree of flexibility over time about what devices are needed, reducing the risk of organisations being stuck with hardware that they have purchased but no longer need. This model also allows SMBs to outsource maintenance to suppliers so that equipment is kept running as optimally as possible.

The complexity of the printing technology landscape means that SMBs have typically found their number of technology suppliers has increased significantly over recent years. Consequently, many are looking to consolidate the suppliers they use in order to make the process of managing their technology portfolio easier.

Working with fewer suppliers allows businesses to foster closer relationships, which makes it easier for them to utilise the expertise of the technology suppliers in the printing space.











However, effective implementation is not sufficient. Decision-makers must understand the technologies needed to develop effective workflows, and how to implement these technologies securely and sustainably. The other reports in this Digital Transformation series have more information on these topics.

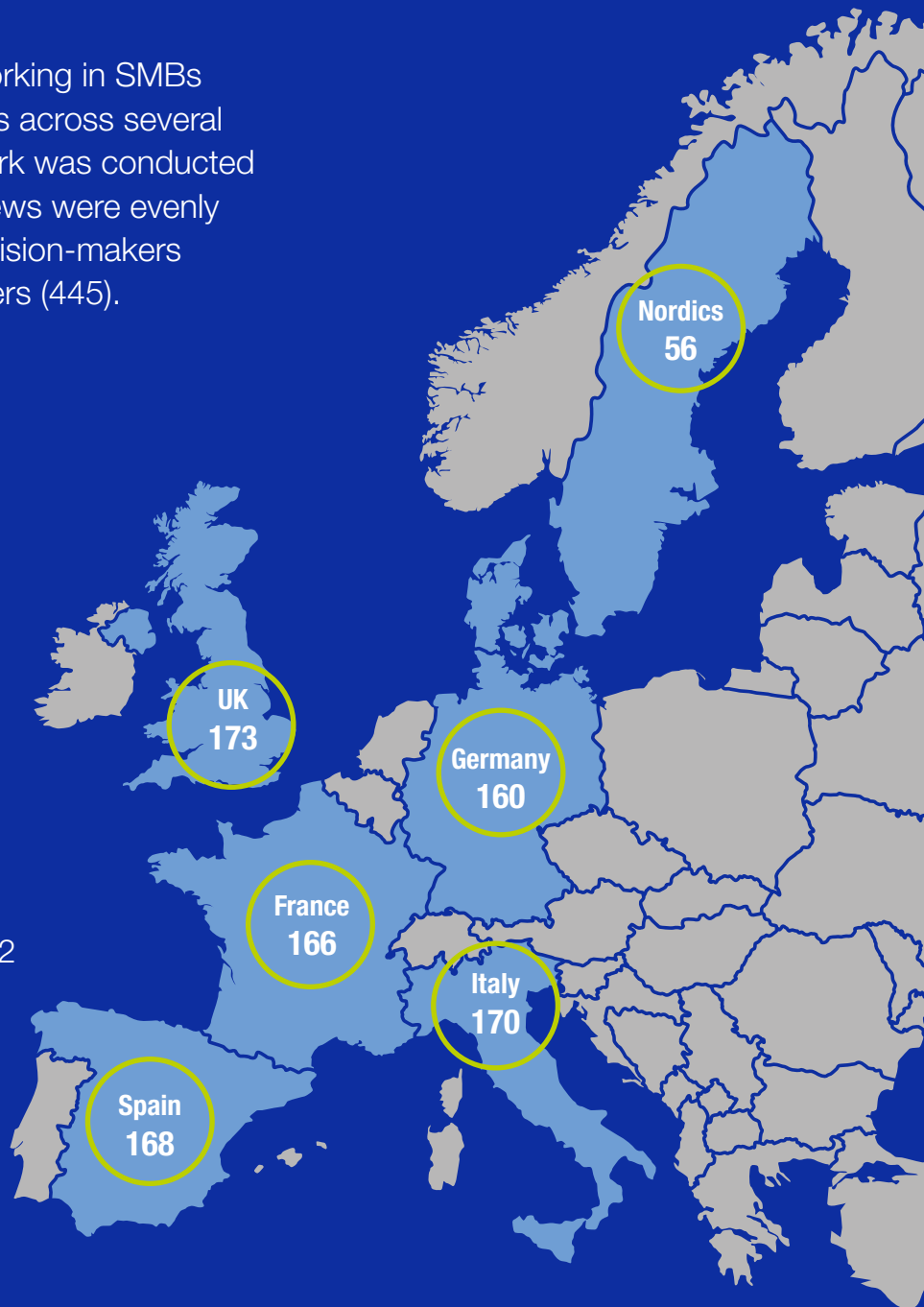
Our methodology

This report is based on 893 online surveys with IT and business decision-makers.

IT and business decision-makers working in SMBs with between 10 and 499 employees across several Western European markets. Fieldwork was conducted across 2019 and early 2020. Interviews were evenly split between strategic business decision-makers (448) and business IT decision-makers (445).

Key industries interviewed:

-  Healthcare - 152
-  Retail - 117
-  Logistics - 113
-  Hospitality - 81
-  Transportation and storage - 62
-  Professional services - 65
-  Manufacturing - 54
-  Financial services - 53
-  Education - 51
-  Construction - 39



Additional interviews were from other industries, including energy, pharmaceuticals, agriculture, defence, property & real estate, sports and entertainment.

The research was conducted by market research agency, Savanta.

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Brother Ireland DAC
Unit 37, Boeing Rd, Airways Industrial Estate, Dublin, D17

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