Managed Print Services, 2022

Enabling hybrid workplace transformation

Excerpt report: Xerox

The Managed Print Services Market Landscape, 2022
Excerpt report: Xerox

QUOCIRCA

Managed Print Services, 2022

Executive summary

With many organisations embracing hybrid work, there is a need to ensure seamless technology experiences for employees, regardless of location. As demand for cloud services and digital transformation increases, organisations must evaluate how their print infrastructure adapts to support the shift to hybrid work. Businesses regard their managed print services (MPS) vendors as key partners to help them adjust to these transitions. Consequently, interest in the broadening array of services that MPS vendors offer is high as companies seek to ensure efficient collaboration between employees, regardless of their location, and increasingly look to reap the benefits of moving their print infrastructure into the cloud.

Although the MPS market is becoming more mature and growth appears to have slowed, companies believe vendors can provide significant benefits in terms of cost reduction, IT security, sustainability, and efficiency. However, vendors need to ensure they are communicating and delivering the right benefits to each organisation, depending on their stage of development in digitisation, cloud and security infrastructure, and current approach to MPS.

Key findings:

- **There is a more complex and variable situation in terms of work location.** Although many workers are now returning to offices, 27% of employees surveyed are still working fully remotely and 32% are working from both office and home. MPS providers can help companies facilitate their teams working seamlessly together, regardless of location, whilst also ensuring that when working from home, employees can be both productive and IT secure.

- **Office footprints are changing.** In the US, 58% of organisations surveyed believe their real estate footprint will increase over the next two years, as do 53% of mid-size organisations. However, in the UK, half believe their total office size will decrease over the same period. MPS suppliers can help to support these reconfigurations by ensuring effective and secure print and workflow solutions in each location, such as by providing appropriate devices.

- **Although organisations remain reliant on printing, its importance continues to decline.** Whilst 72% of respondents say that print is important to their daily business, only 30% say it is very important, down from 50% in 2019. This year (2022), office print volumes are estimated to be at 51% of pre-COVID-19 levels and only anticipated to rise to 55% of pre-COVID-19 levels by the end of 2023. Future volumes are expected to be highest in the US, with 64% of pre-COVID-19 volumes predicted by the end of 2023, versus 56% in the UK, 52% in Germany, and just 49% in France.

- **MPS spend is still increasing, but down from 2019 growth levels.** Although the MPS market continues to be strong, with 83% expecting to spend the same or more on MPS services over the next 12 months, there are signs that growth is slowing, particularly in the US. Overall, 15% of companies expect their spend on MPS to increase significantly in 2022, with a further 41% expecting it to increase somewhat.

- **IT security is a priority for most companies, but some are taking risks.** Of those surveyed, 74% say it is important for an MPS supplier to offer services around zero-trust security for its print infrastructure. However, a significant minority are failing to mitigate risks, particularly in relation to home working, as shown by the fact that 38% are still in the planning stages of revising their security/BYOD policies for home workers.

- **MPS suppliers must address the risk of online purchases outside of MPS contracts.** There is a continuing opportunity for MPS suppliers to assist companies in supporting home workers: currently 59% of workers are still working at least partially from home, yet 53% of printers provided to staff for this purpose were bought independently of an MPS provider, and 19% of MPS contracts do not include print services in the home. This disparate approach to device procurement and management creates inefficiencies and potential security risks that must be mitigated.

- **MPS is viewed as a significant enabler of digitisation.** This year, 31% of senior IT managers feel that MPS is a very important part of their digital transformation initiatives. In the US this is even higher, cited by 48% of respondents. By 2024, this is expected to grow, with 43% of respondents overall believing MPS will be very important to digitisation initiatives.

- **MPS is expected to deliver a wide range of business benefits.** Currently, the most valued gains from using MPS are perceived to include improved service quality and reliability (which 44% judge to be a very important benefit), enhanced security (rated very important by 43%), and improved business process efficiency and assistance in moving print infrastructures into the cloud (both rated as very important by 40%). There is room for improvement in the delivery of a number of benefits relating to sustainability; for example, 37% of businesses say it is very important for MPS suppliers to reduce environmental impact, but only 31% of vendors are judged as very effective at doing so.

- **Satisfaction with current MPS vendors is increasing, and customers are attracted to those that can offer additional services, particularly relating to working collaboratively across locations and cloud print services.** Of those surveyed, 64% would be more likely to choose a provider offering workplace services (e.g., video conferencing and wireless presentation devices), 47% would be more likely to choose a vendor offering cloud print services, and 41% would be more likely to choose a vendor offering collaboration services such as document sharing.

- **Despite overall good satisfaction levels with current MPS vendors, loyalty among customers is still rather low.** Of respondents, 24% say they definitely plan to change their vendor at the end of the contract and 36% say they might change, with only 28% saying they envision remaining with the incumbent. Mid-size companies are less likely to be loyal than their larger counterparts (with 30% definitely planning to leave their vendor at the end of the contract, versus 18% of large companies).

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Methodology

Quocirca conducted a survey among senior IT managers with responsibility for decisions relating to managed print services. The research was conducted in the UK, France, Germany and the US, amongst 203 enterprises with 500 or more employees that were already using a managed print service. For the purposes of this research, organisations with 500 to 999 employees are referred to as mid-size organisations and those with over 1,000 employees as large organisations. The survey was conducted online and fielded during March 2022.

Definitions

Quocirca defines a 'managed print service' as the use of an external provider to assess, optimise and continuously manage an organisation's document output environment and improve productivity and efficiency, while reducing cost and risk. It also leverages existing investments in multifunction printers (MFPs), while continually monitoring usage, so the optimised infrastructure continues to meet business needs.

MPS covers several service areas across three broad categories:

- **Assessment.** A review of the current print environment to provide recommendations for rationalisation and an estimate of potential future savings. These range from basic online assessments to full workflow assessments. Environmental impact analysis and document security assessments may also be included.
- **Optimisation.** Device rationalisation and consolidation to improve user-to-device ratios, and development of print policies as part of a governance framework for a full enterprise MPS, deployment, transition and change management.
- **Management.** Continuous process improvement, business reviews, service level agreement (SLA) monitoring, remote management and workflow improvement.

The MPS ecosystem

The MPS landscape includes printer/copier manufacturers, systems integrators and software infrastructure vendors.

- **Printer/copier manufacturers.** These vendors' programmes are generally tied to their product offerings, although multi-vendor support is often available. Service offerings include assessment, design, implementation and support services. They may also offer MPS programmes via their resellers. Vendors in this category include Canon, HP Inc., Kyocera, Konica Minolta, Lexmark, Ricoh, Sharp, Toshiba and Xerox.
- **Systems integrators/resellers.** These are a channel to market for some printer and copier vendors and may offer MPS as part of a wider managed IT services offering.
- **Independent software vendors (ISVs).** These provide software tools for use in the print environment. They vary from print management, security, and analytics tools to cloud printing solutions. Examples include EveryonePrint, Kofax, MPS Monitor, MyQ, Print Audit, ECi FM Audit, PaperCut, Printix, Process Fusion, Ringdale, and YSoft. Providers often use such third-party products to add value to a particular element of their MPS portfolio.

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The impact of hybrid work on office and home printing

New working patterns emerge

In the US, 52% of workers are now located full time in the office. However, this has been far from a full-scale return. For example, in the UK, 67% of employees are spending at least some of their time working from home. MPS providers will therefore need to help their customers handle more fluid and diverse working arrangements for their employees. It is worth noting that currently, 19% of MPS contracts still do not include print services for those working from home. Even if COVID-19 infections continue to be less impactful than during the peak of the pandemic, it seems likely that many employees will work remotely at least some of the time for the foreseeable future (Figure 1).
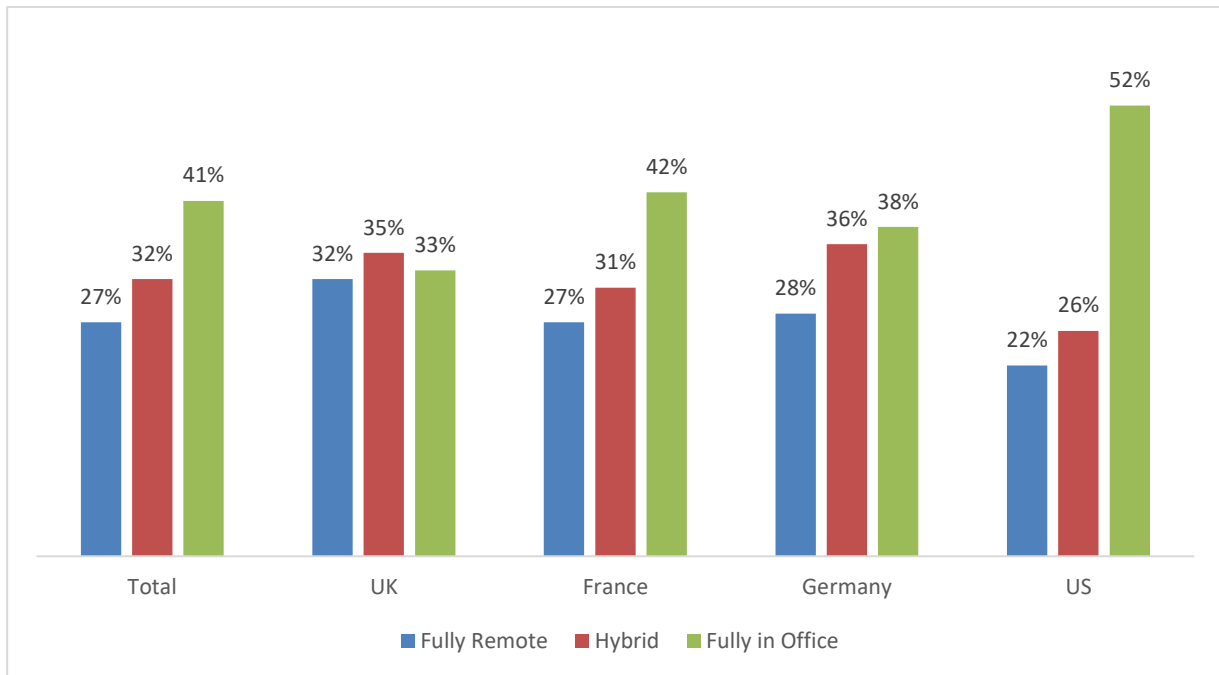

Figure 1. Employee work location

Even though high levels of home and remote working have been common in many companies for more than two years, a significant minority of organisations are not fully mitigating the potential risks and inefficiencies arising from the presence and use of shadow printers, and appropriate policies for controlling the use of printers at home are not always in place. A large number of employers (81%) have purchased home printers for some or all of their employees, with this provision highest in mid-size organisations (88%) and the finance industry (94%). However, more than half of these printers (53%) have been sourced independently of an MPS agreement, either through an online retail ecommerce site (32%), an online retail B2B site such as Amazon Business (15%) or a separate IT reseller (6%) (Figure 2).
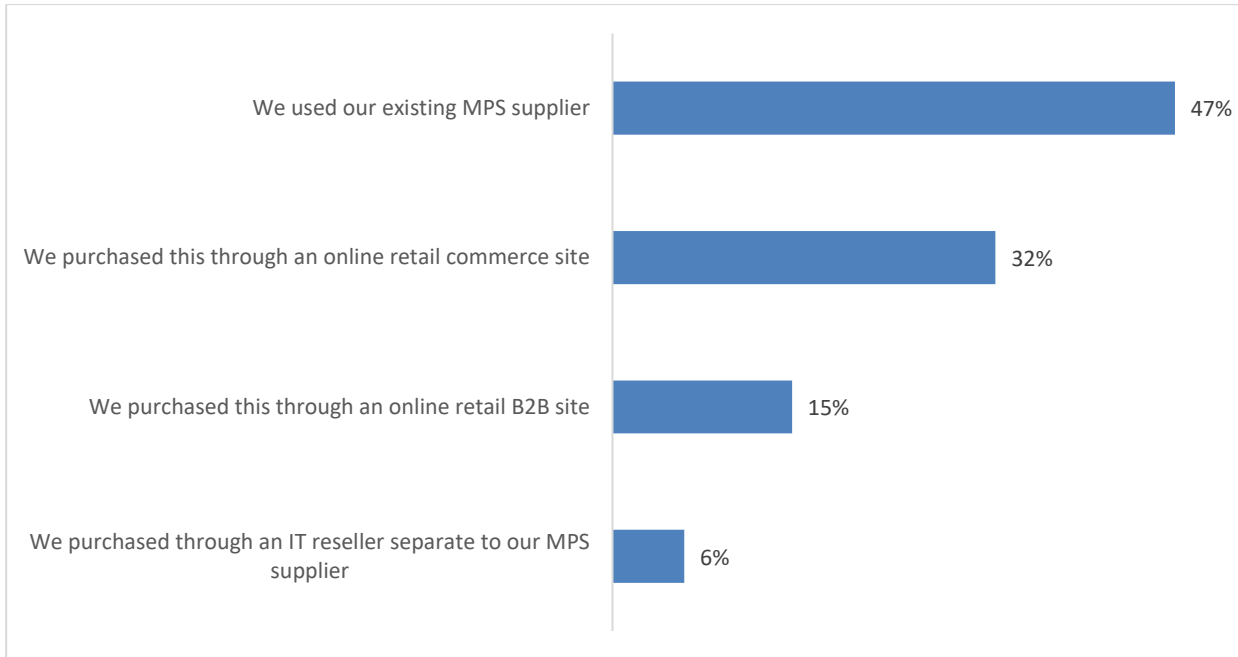
Figure 2. Source of procured printers for employees working from home

The risk from shadow IT purchasing appears particularly high in France, where only 39% of printers for home working were purchased through an existing MPS vendor. Of French companies, 18% also allow their employees to print business documents on home printers, even if did not provide or authorise these printers (versus 10% of the total sample). Overall, while most employers have demonstrated awareness of potential security issues (for example, 74% say it is important for an MPS vendor to offer services around zero-trust security), 38% are still in the planning stages of revising their security or BYOD policy to support employees' use of their home printers.

As reflected in the 15% already using an online retail B2B seller to purchase printers for home workers, the use of online cloud marketplaces is also on the rise. Of respondents, 44% are already using online marketplaces to procure some cloud print management and digital workflow solutions, and a further 32% anticipate doing so in the next year. Such use of online marketplaces is particularly high in the US (68%) and among mid-size organisations (51%). This rise in employees using online marketplaces to procure IT products and services could create greater risk from unauthorised software and hardware unless appropriate safeguards are put in place.

In terms of trends in office workspaces, many organisations anticipate that the size of their organisation's real estate footprint will grow over the next two years. This trend is very marked in the US, where 58% believe it will increase over that time. In contrast, in the UK half of respondents expect the real estate footprint to diminish. This growth in office space by some companies may reflect a move towards hub-and-spoke models of office organisation as the flexibility this model offers becomes more apparent to employees and employers alike. Such changes mark a development in the role of the office and the ways in which people are working and collaborating post-COVID-19. Mid-size organisations are more likely to expect an increase in office footprint than larger organisations (53% versus 32%) (Figure 3). In terms of verticals, industrial companies and professional services organisations are most likely to expect growth (both at 49%), while 51% of public sector companies expect a decrease. This shift to a more distributed workplace creates opportunities for MPS vendors to ensure that the redesign of office space is supported by effective and secure print and workflow solutions.
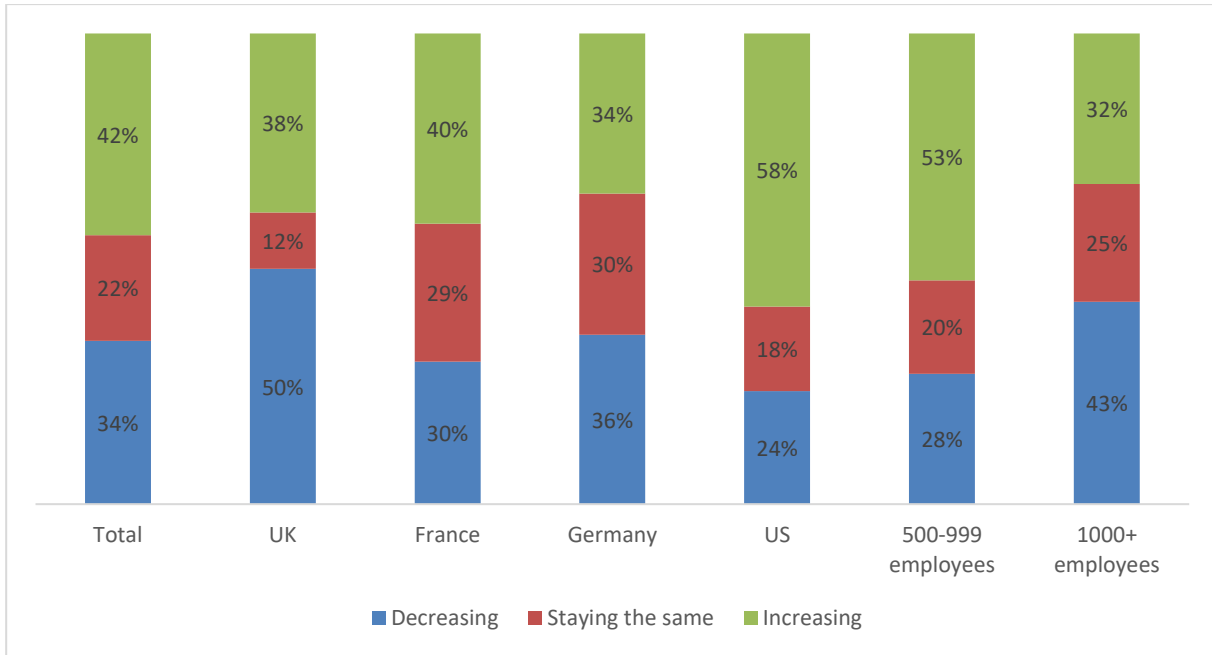
Figure 3. Expected changes in organisations' real estate footprint in the next two years

Print volumes in the changing working environment

Despite the many COVID-19-related changes to business over the last two years, paper remains a critical part of businesses' daily functioning. Overall, 30% judge it to be very important, and 42% quite important, to their day-to-day business (Figures 4 and 5). As we saw in 2021, geographical differences are apparent, with organisations in France and Germany finding paper to be less important than those in the UK and US.

Figure 4. Importance of paper to an organisation
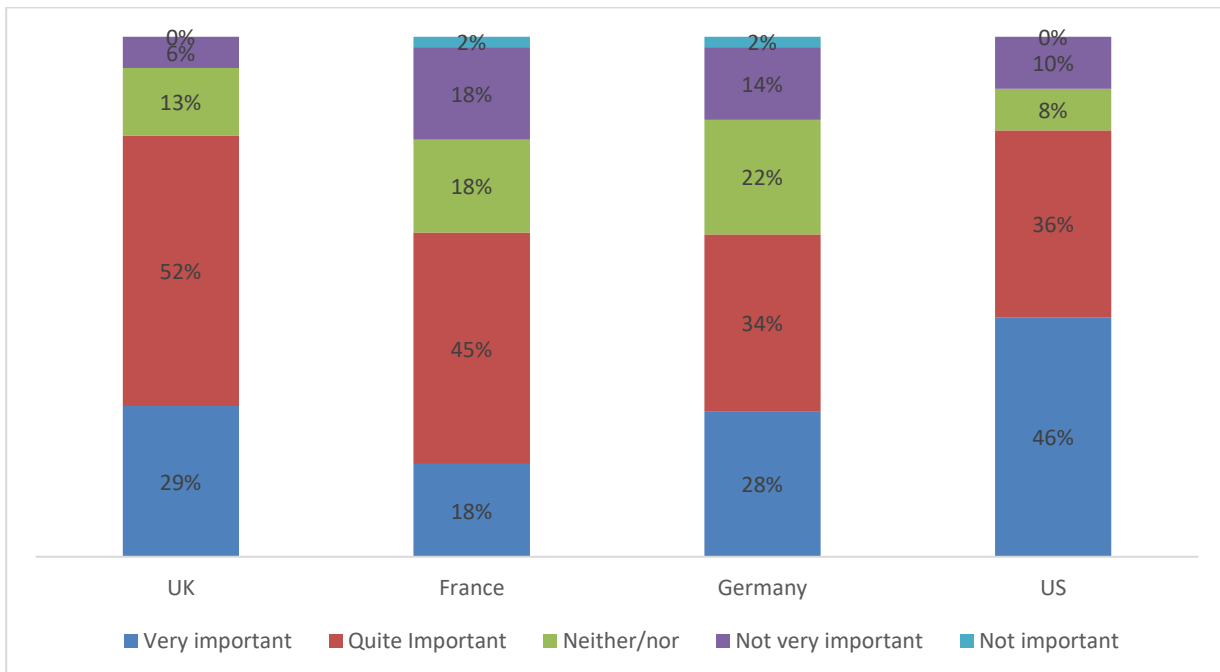
The importance of paper is similar across most industry categories, except for public sector organisations, of which only 58% judge it to be very or quite important (versus 72% of the total). This could reflect the shift of paper-based processes to digitisation, which accelerated over the course of the pandemic, as well as environmental imperatives driving reduced paper usage.

Nevertheless, by comparing data with previous waves of this study, we can see that paper's significance is slowly declining over time, with a drop in importance having occurred after the start of the pandemic. This fall in perceived importance has not yet recovered to its pre-pandemic levels.
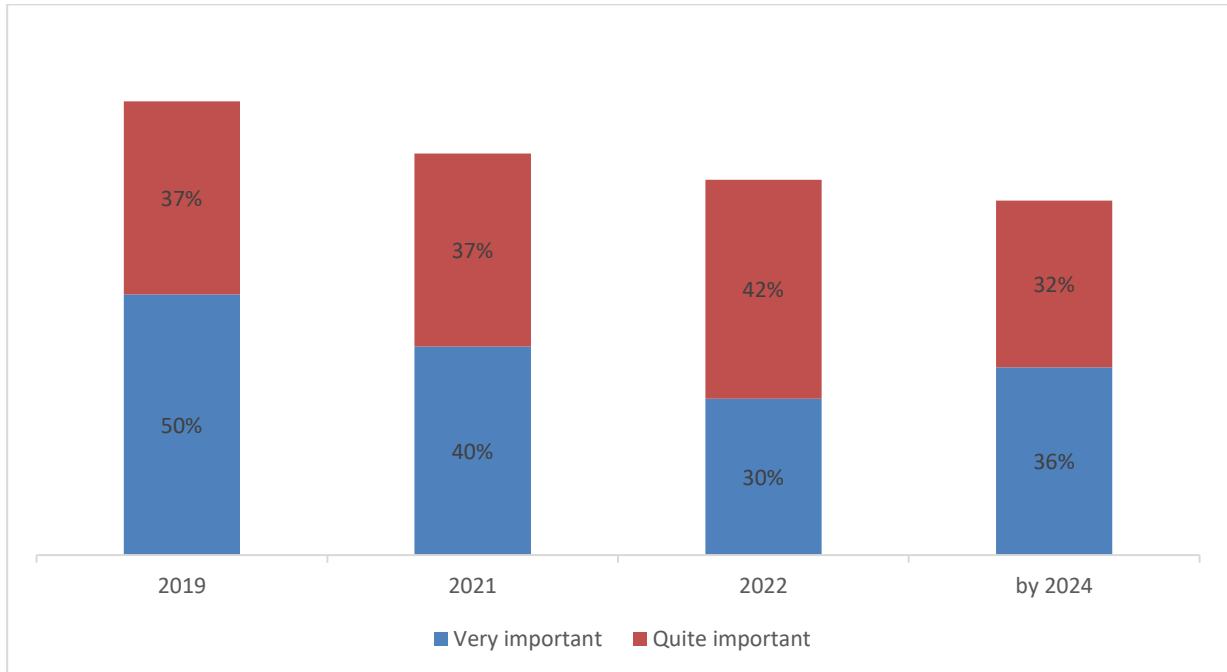

Figure 5. Importance of paper to the daily business of your organisation (trend)

IT managers judge that print volumes in the office are, on average, at just over half (51%) of pre-COVID-19 levels, with only a small increase expected in 2023 (to 55% of pre-COVID-19 levels) (Figure 6). We can see differences by region, with companies in the US expecting volumes to have reached 64% of pre-COVID-19 levels by 2023, versus estimates of 56% in the UK, 52% in Germany and 49% in France. Expectations are similar between mid-size and larger companies, with both expecting volumes to have returned to 55% of pre-COVID-19 levels by 2023. Between industries, finance companies have the highest expectations of print volumes recovering (58% of pre-COVID-19 levels by 2023), while those in the public sector have the lowest (52% of pre-COVID-19 levels by 2023).

These are sobering findings for MPS vendors; they reinforce the need to shift quickly to workflow automation and adjacent services to combat the inevitable decline in print volumes.

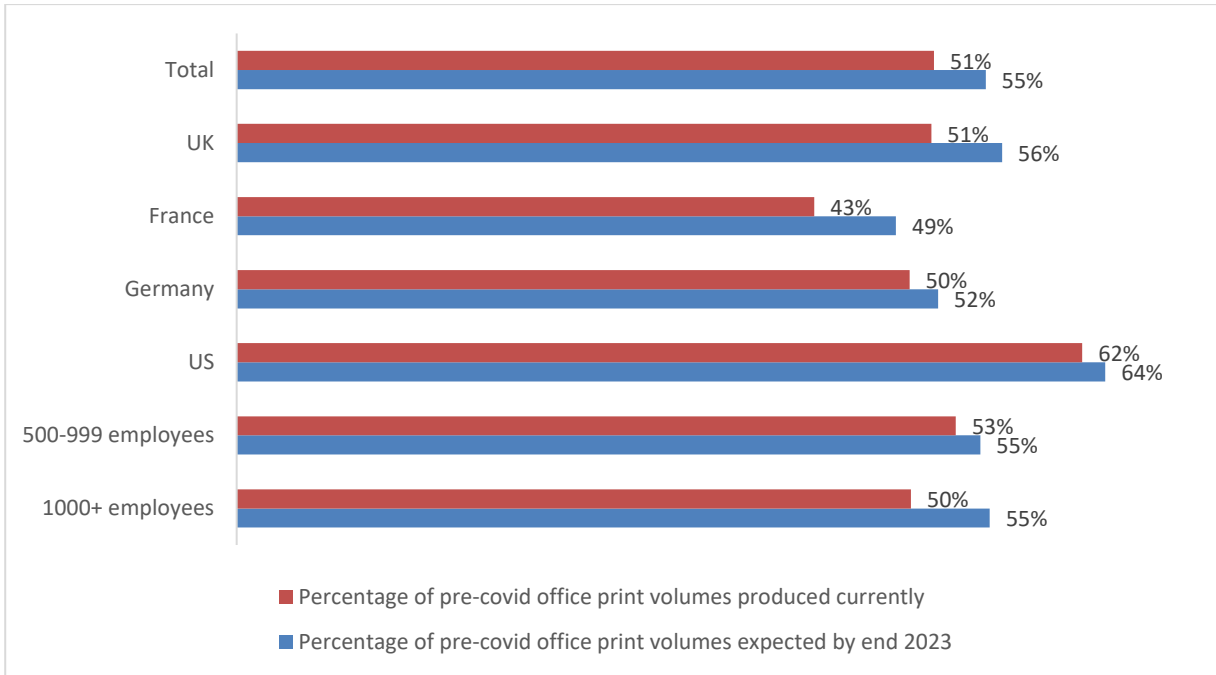**Figure 6. Office print volumes recovery**

(Question: Please state a. the percentage that office print volumes are currently compared to pre-COVID-19 print volumes and b. what percentage of pre-COVID-19 print volumes you expect them to be in 2023?)

Hybrid print and digital workplace measures

As working practices change, employers are planning and implementing a range of measures to assist their employees with hybrid working and reduce in-office COVID-19 risk. The most widely adopted measure so far has been increasing the use of digital alternatives to paper documents, such as PDF, which 46% of organisations are employing (Figure 7). Some progress has also been made with the introduction of policies to reimburse remote workers for the running costs of their home printers. In 2021 only 35% of companies had this in place, which has now increased to 46%. Similarly, companies have been introducing personal desktop printers for employees in the office. This has now been undertaken by 42% of companies, compared to only 36% in 2021.

Of companies surveyed, 43% have implemented a cloud print management platform, showing a small increase of 4% since 2021 (Figure 7). The US is the most advanced in this initiative, with 56% of companies having already implemented them, and the least advanced is Germany, where currently only 32% have this in place. As we shall see later, customers are interested in MPS vendors being able to provide cloud print services.

There are several areas where a large proportion of companies remain in the planning stages. Examples include revising their security/BYOD policies, implementing content security and data loss prevention solutions to prevent printing of sensitive documents, and encouraging use of digital signatures. There may be opportunities here for MPS vendors to assist customers in identifying the blocking points and ensuring implementation.
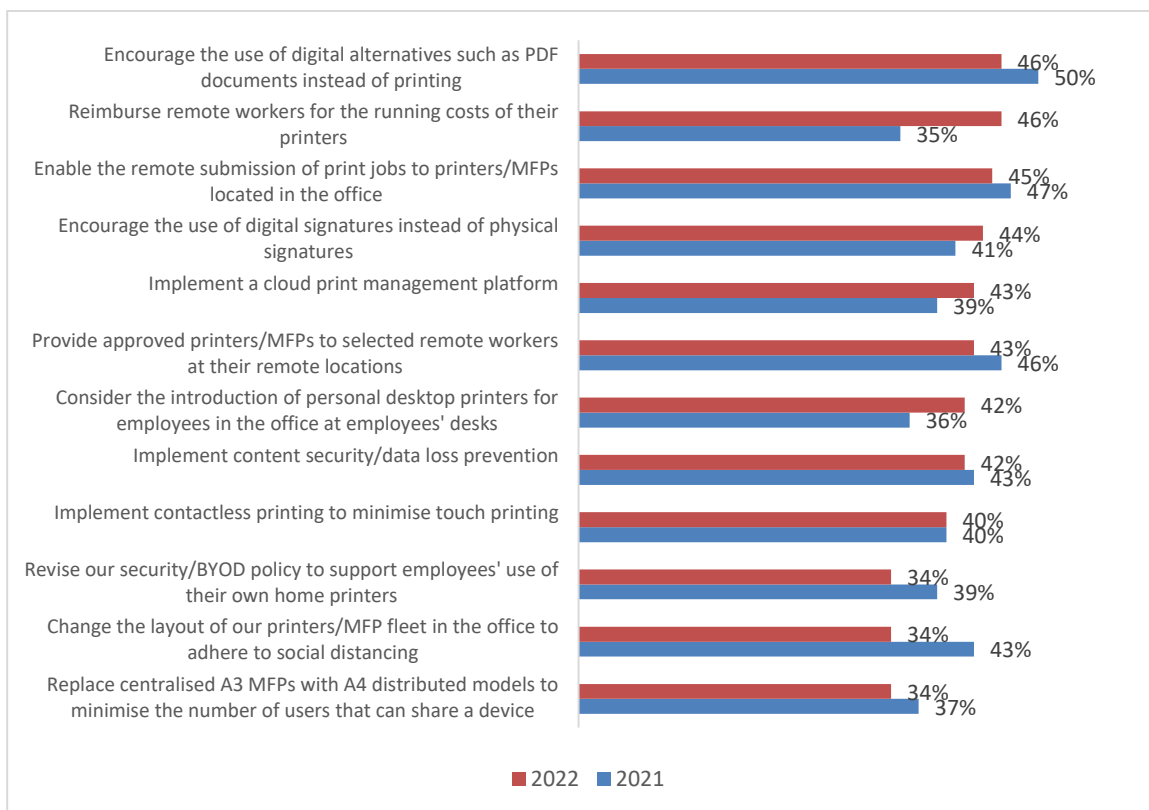

Figure 7. Print-related measures implemented

Outlook for MPS spending

In 2021, the research showed a slowing in the growth of spending on MPS. In 2019, 79% of companies we interviewed were anticipating an increase in MPS spending over the next 12 months. By 2021, that had slipped back to 53% of companies. This year, 56% expect to increase MPS spending, with 15% anticipating a significant increase but another 15% predicting spend will decrease somewhat (Figure 8).
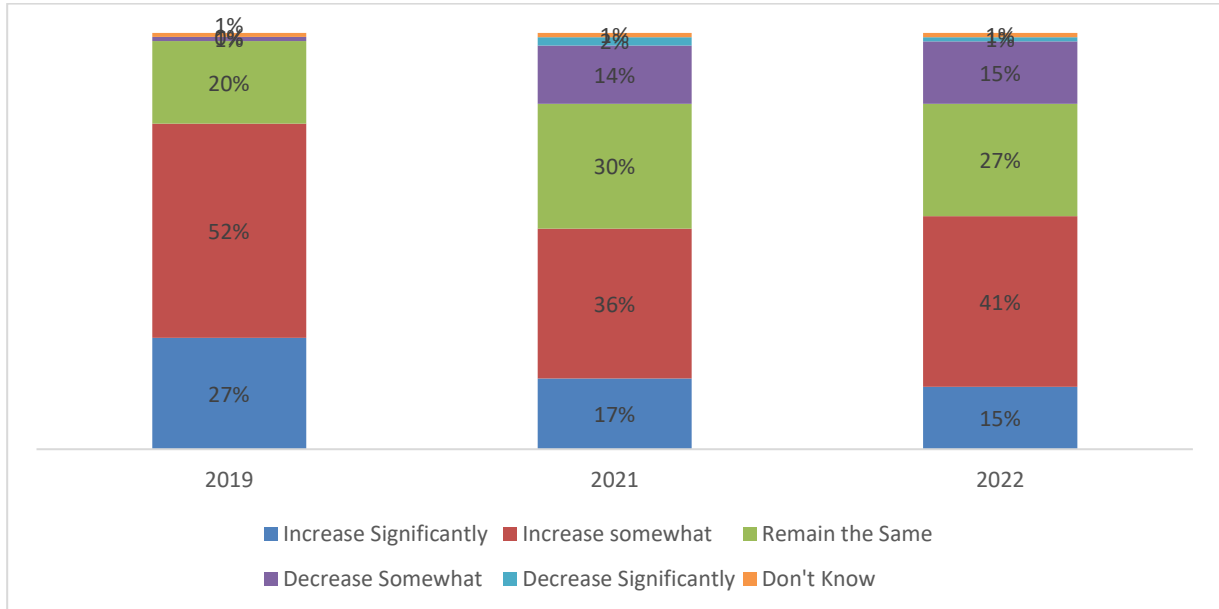
Figure 8. Change in organisations' expenditure on MPS over the next 12 months

The finance industry expects to make the biggest increases in MPS spending, with 67% saying their expenditure will increase in the next 12 months, compared to only 48% of public sector companies. However, anticipated spend on MPS is lowest in professional service organisations, in which 27% actually expect spend to reduce over the next year.

Although the US remains the most vibrant market for MPS, growth is expected to slow there, with 66% expecting spending to increase in 2022 versus 73% in 2021. Growth in Germany remains at a similar level to 2021, whereas France and particularly the UK have reported bigger increases in spend in 2022 versus 2021.

MPS maturity

Interestingly, companies in the UK are the most likely to have advanced beyond basic document-based MPS, and it is possible that this opportunity to extend the benefits they receive from MPS providers is helping to drive expected increases in expenditure. However, only 16% of companies overall are in this 'third stage' of MPS usage (defined as 'moving beyond MPS to incorporate other non-document-related services such as IT'). This suggests there is still much more potential to provide these additional services to companies. At the other end of the spectrum, 19% of companies are still 'beginners' in the process of optimising and consolidating their printer fleets. This is particularly true in the US (with 28% still at Stage 1), among industrials (with 30% at stage 1) and in mid-size organisations (with 25% at Stage 1).

With this range of sophistication in using MPS, vendors will need to apply a segmented approach to ensure that they are targeting customers with the most relevant messages for individual businesses and their stage of development.
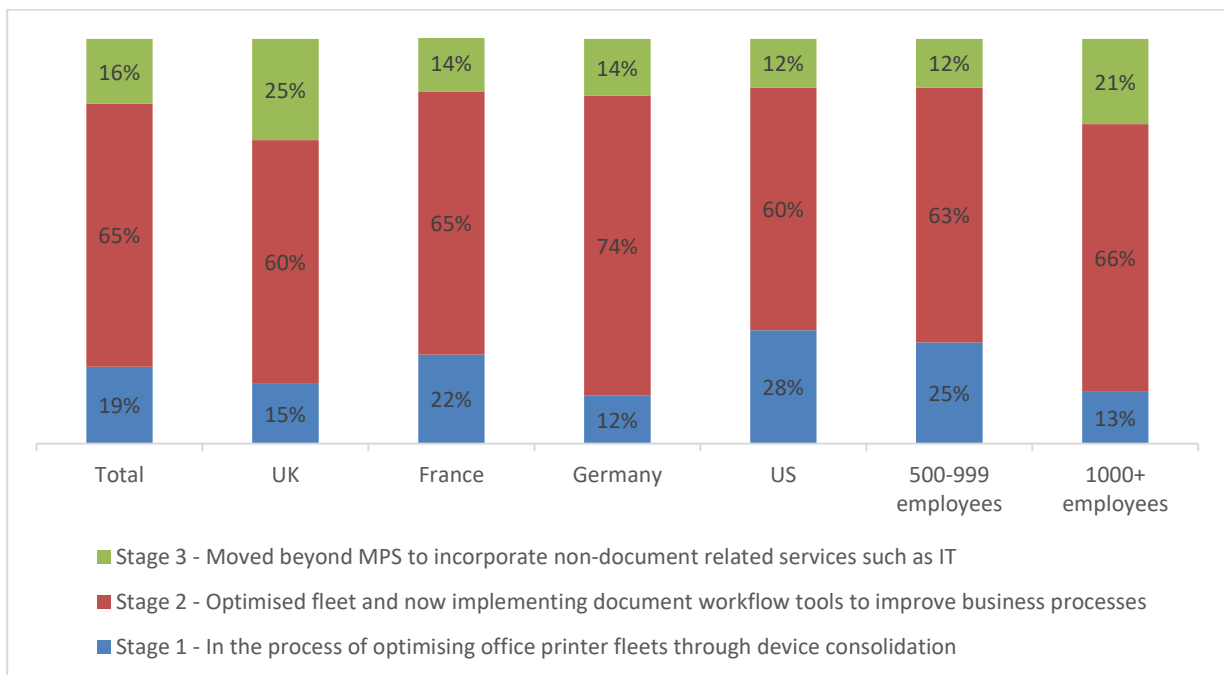

Figure 9. MPS usage stage

MPS: a key component in digitisation

As can be seen from the continued significance that many organisations place on paper and the fact that some companies are still only beginning to benefit from the MPS process (while not forgetting any that have yet to begin this journey and are outside of the remit of this report), there are still opportunities for companies to improve the management of their document printing processes. However, interest in the wider services that vendors are now offering is also keen.

MPS services are expected to remain a key component of business digitisation, with 31% of senior IT managers agreeing that MPS is very important to their digital transformation initiatives this year. The emphasis on MPS is even stronger in the US, where 48% say it is very important. Perceived importance is then expected to grow significantly over the next two years across all countries, with Europe (especially France) making the biggest advances, but the US maintaining its overall lead (Figure 10).
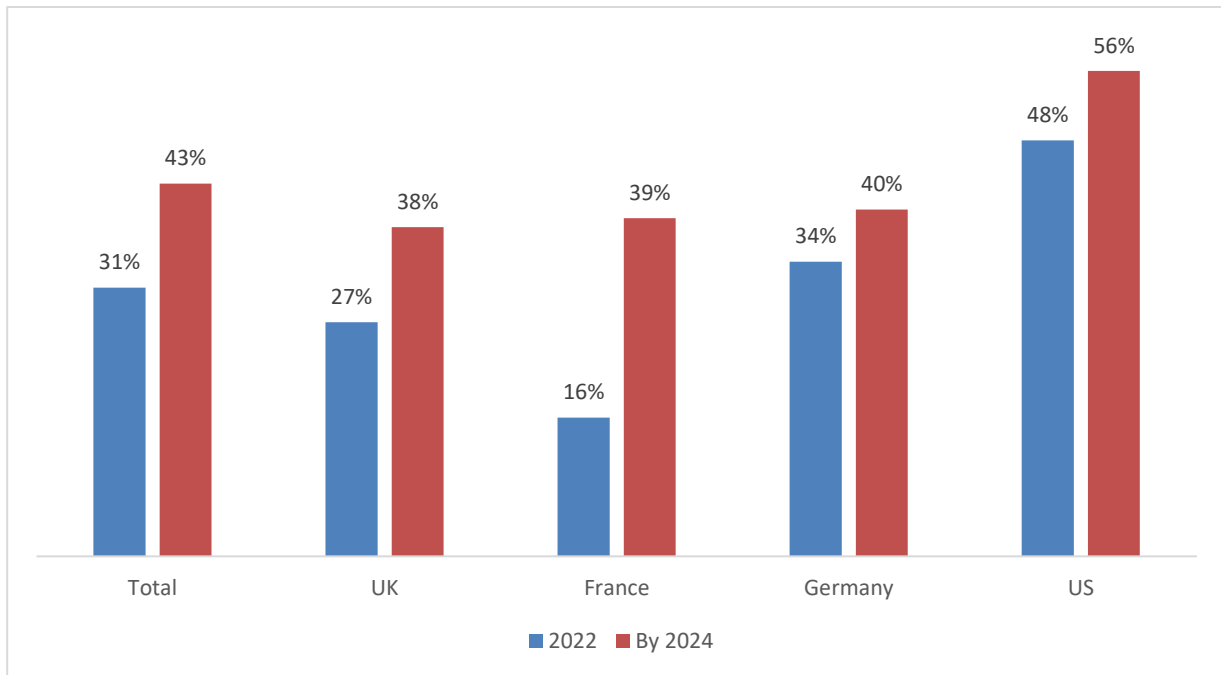
Figure 10. Importance of MPS to digital transformation (% judging it to be 'very important')

MPS expectations versus delivery

Organisations expect to gain many benefits from using an MPS vendor, including better service quality, reduced costs and waste, better security, and improved use of technology. They are most likely to value improving service quality and reliability, security and business efficiency, and help in moving their print infrastructure to the cloud. However, as can be seen in Figure 11, many potential benefits from MPS are, in fact, perceived as significant to customers.
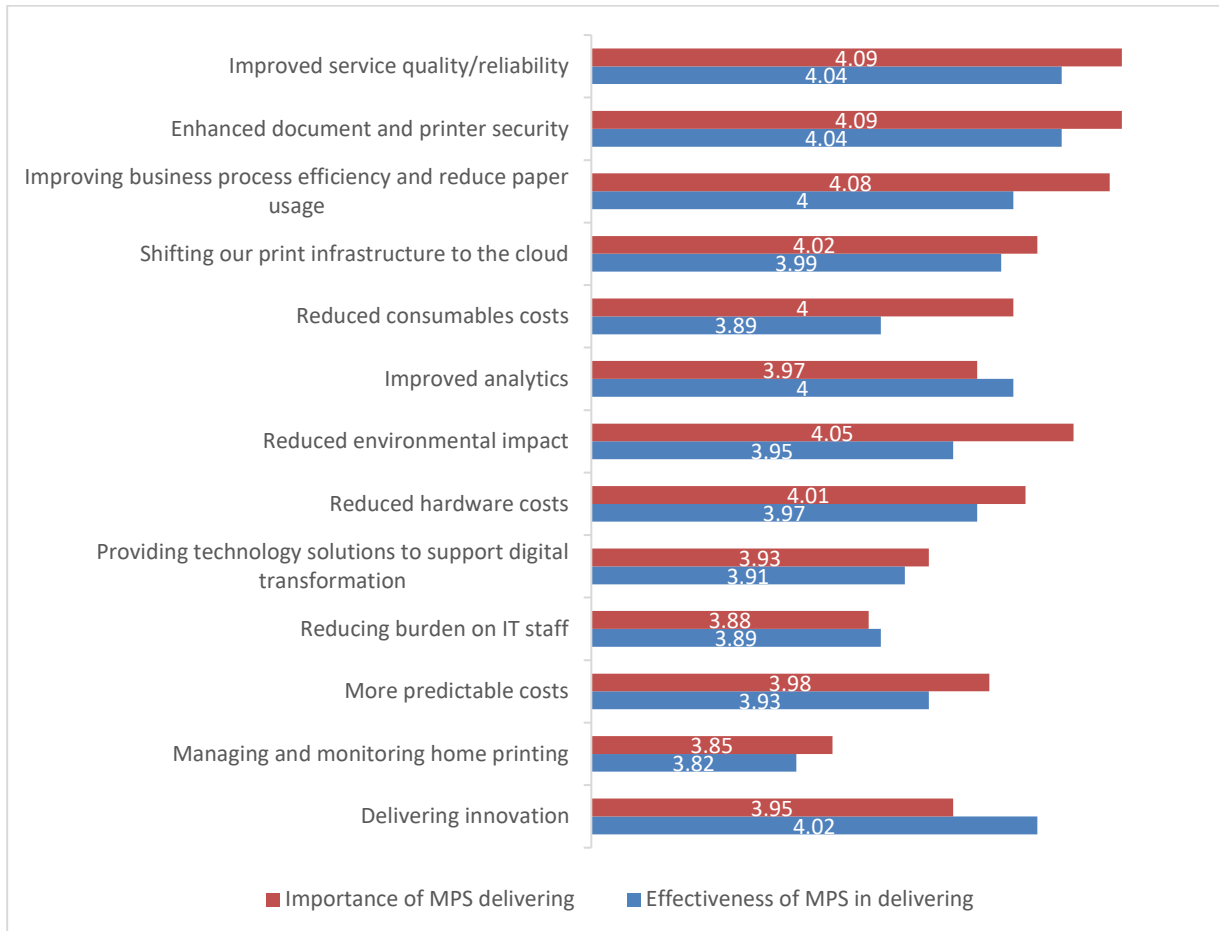
Figure 11. MPS satisfaction gap – average scores on a scale of 1 = not important/not effective to 5 = very important/very effective

By comparing the importance placed on various potential benefits with the degree to which customers believe their MPS vendor has delivered them, it is possible to assess potential areas of over- and under-delivery. Customers' expectations have, on average, been exceeded by MPS vendors in delivering innovation across the print and digital document infrastructure and providing better analytics (Figure 11). However, in some cases vendors look to have fallen short in delivering the benefits that customers wanted to receive, in particular those areas relating to sustainability. For example, reducing the cost of consumables, improving business efficiency and reducing paper usage, and reducing environmental impact have a lower delivery score than their importance score. This suggests a degree of underperformance.

Despite this, customers are increasingly satisfied with their MPS vendors, with 47% saying they are very satisfied and 44% saying they are quite satisfied with the service from their provider. This represents a significant improvement on last year's performance (Figure 12).
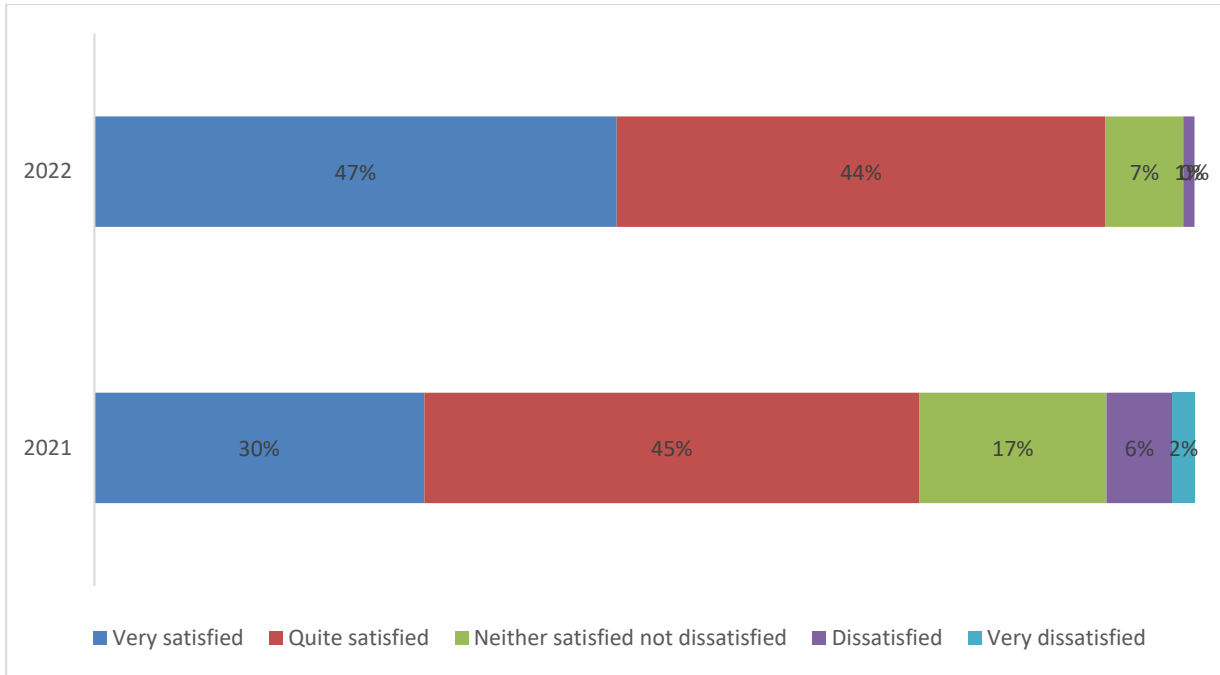
Figure 12. Satisfaction levels with MPS vendors

Nevertheless, loyalty in the market is still low, with 24% saying they definitely plan to change provider at the end of their contract, 36% saying they may change, and only 28% confident they will stay with the same vendor (Figure 13). However, loyalty has increased since 2021 in all countries except the US, which suggests good performance may be translating into better retention. Mid-size organisations are less likely to be loyal than those with more than 1,000 employees (with 30% saying they definitely plan to change provider at the end of the contract versus 18% for larger organisations). Loyalty is higher among public sector organisations (with only 13% definitely expecting to change supplier at the end of the contract) and professional services companies (15% definitely expecting to change).
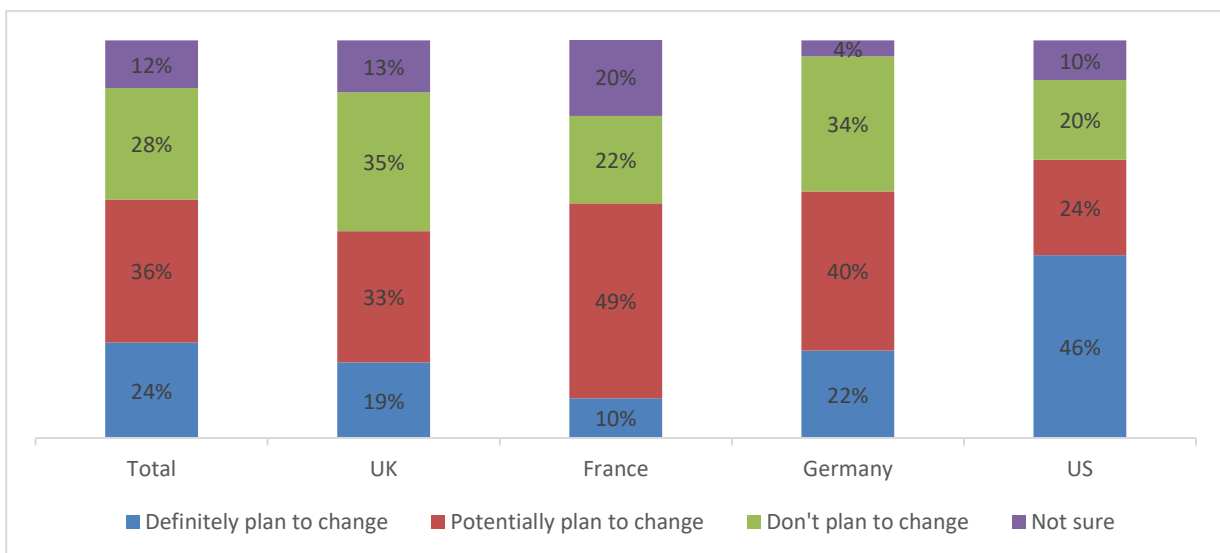
Figure 13. Likelihood of changing provider at the end of the contract

It is worth noting that, when we analyse intended loyalty by the different stages of MPS user maturity outlined earlier, those at the earliest stage (defined as in the process of optimising the office printer fleet through device

consolidation) are significantly more likely to say they would definitely change their provider at the end of the contract than those at the other stages: 59% of companies at stage 1 say they would definitely change, versus only 15% at stage 2 and 21% at stage 3. This may indicate that providing additional services helps vendors to embed themselves more with their customers.

Facilitating collaboration

As a majority of employees move away from working full-time from home and into a more hybrid pattern of work location, organisations are increasingly interested in ways to help their employees collaborate and work wherever they are based. At the same time, and as the MPS market matures, vendors are looking to expand their repertoire of services into adjacent areas. Trends in 2021 showed that in terms of the additional services that vendors could provide, customers were most excited by the offer of workplace services, which were defined as including video conferencing, cloud voice services, wireless presentation devices, touchscreen interactive whiteboards and digital signage. Interest has increased this year, with 64% claiming that if this kind of service were offered, it would make them more likely to choose an MPS supplier. Interest in collaboration services (such as document collaboration and sharing) has also increased significantly this year, with 41% saying it would encourage them to use an MPS vendor (Figure 14).

Interest in remote-worker services has waned since 2021. Given the high levels of employees continuing to work at least some of the time from home, this may prove short-sighted, and vendors may benefit from educating some customers on the benefits of widening MPS services to include home printing.

The US is most mature in its adoption of cloud print services, with 66% saying this would be a service of interest to them from an MPS (versus 47% of the total). Analysis in Quocirca's separate report dedicated to cloud print services ('The Cloud Print Services Market Landscape 2022') suggests that 20% of companies expect their IT infrastructure to be fully in the cloud by 2025, up from 6% currently. This will be a major area of development over the next few years. Sustainability services are of more interest in Europe than in the US; Germany finds them particularly appealing, with 42% claiming these services would make them more likely to choose a specific MPS vendor.
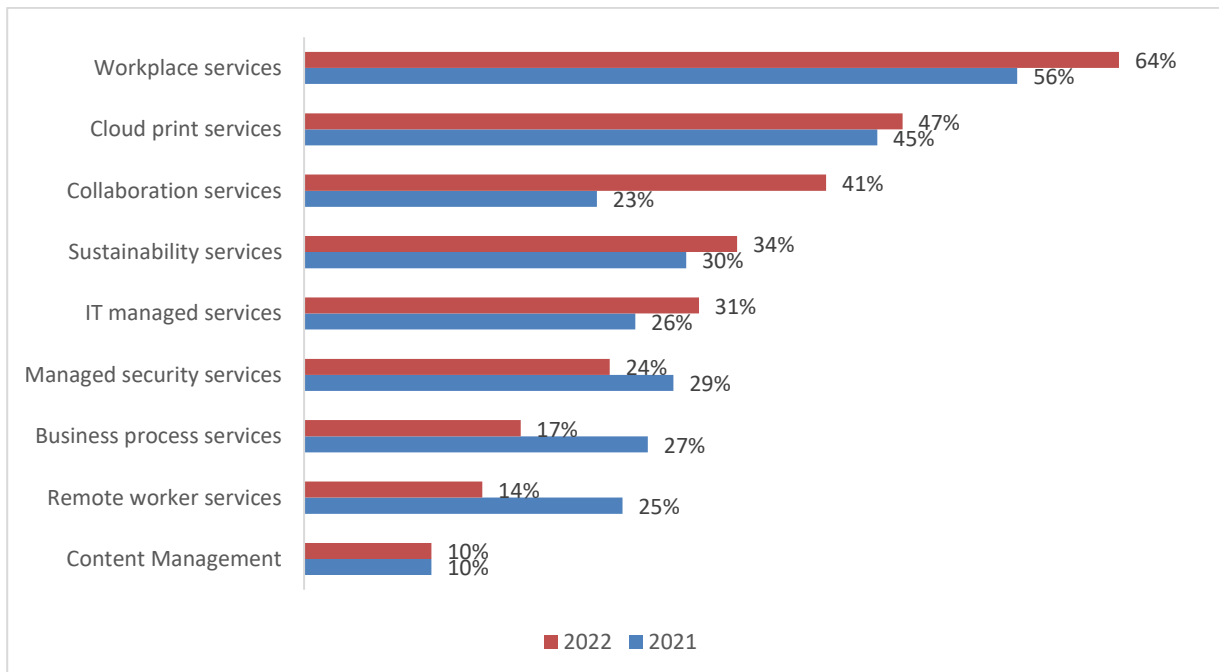

Figure 14. What additional services would make you more likely to select an MPS vendor?

Future opportunities for MPS vendors

As many have suspected, business life after COVID-19 is not proving to be a simple return to the pre-pandemic situation for many companies. In some ways, the circumstances that businesses are dealing with are more complicated than they were during the pandemic, with employees adopting a mix of working patterns. However, as trusted partners, MPS vendors are in a strong position to help organisations navigate this new situation by offering flexible and expert support. In doing so, they will be able to ensure their future relevance to the market.

MPS is already well on the way to broadening its scope beyond the printed document into a wide range of related services. Vendors should continue to position themselves as allies in the move towards digitisation and in providing solutions to help employees collaborate securely and effectively from wherever they are located. Customers see this development as a welcome progression in the remit of MPS. However, vendors should remember that not all customers are at the same level of advancement toward digitisation, and a segmented approach to their offer and its communication may well be appropriate. Vendors can also remind customers of the ongoing requirement to meet the needs of employees working from home by provisioning printers and educating both employees and employers about potential security risks.

Assisting customers in moving their print infrastructure to the cloud is a key opportunity for MPS vendors over the next few years, and interest in this service is accelerating. A cloud-based infrastructure fits well with decentralised work models, while being flexible and scalable to adapt to changing circumstances. It is cheaper than managing a traditional print infrastructure, and customers tend to view it as more secure and sustainable.

Supplier recommendations

- **Expand flexible and scalable cloud offerings.** There will continue to be a need for at least a degree of on-premise capability, in order to serve slowly moving customers that are willing to pay a premium for such services to a hybrid on-premise/cloud model and then a fully cloud-based model. Even after a considerable amount of time, some customers will want to maintain a degree of print management services on-premise due to security and compliance concerns – this may be an opportunity for continued premium pricing to cover the additional provider costs of managing updates and patches, as well as providing discrete and bespoke support.
- **Build cloud-based alliances.** A cloud-first model offers MPS vendors an environment that is fully under their control, and also opens up the opportunity to enter into agreements with third-party providers to offer adjacent services, such as content management and IT management. AWS and Microsoft Azure remain the dominant public cloud providers, and print OEMs are increasingly using them to provide their services to the channel. As enterprises become more prescriptive about the platforms they wish to use, such partnerships will become critical.
- **Provide broader home printing/home-office support.** MPS vendors should look at how best to support the home worker with better provision and support of suitable printers, as well as continuous monitoring and provision of consumables. Tying lifecycle management of home print devices into existing MPS agreements can make a lot of sense to businesses: they can cut costs through access to better pricing for devices and consumables while gaining better control of the device as part of an overall MPS agreement.
- **Broaden collaborative and workplace services.** MPS vendors should be looking to provide distributed collaboration systems that organisations are already investing in to support their distributed workforce, such as cloud-based synchronised file-share platforms, VoIP systems, cloud-based document storage and management, and so on. Beyond just providing a means for a distributed workforce to operate more cohesively, such services provide more secure document and records retention, a more auditable and reportable environment, and a better means of ensuring continuous access to systems via high-availability cloud systems.
- **Shift to a 'zero-trust' security model.** As the workforce becomes more distributed, the threat landscape is expanding dramatically, with the traditional network perimeter no longer enough to secure a remote, diverse workforce that connects via multiple devices and accesses the corporate network from distributed locations, often over public networks. Today's organisations should be operating on a 'zero-

trust' model: assume that everything is a security risk and create an environment that can deal with the possible threats. Such services should extend to both information and device security (with a strong focus on information, as this is the key to any organisation's ongoing health). Many leading MPS vendors have expanded their security assessments and monitoring capabilities, and this will be vital in closing any security gaps around the hybrid workplace. Looking to provide more rounded solutions, such as data leak prevention (DLP) and digital rights management (DRM), is likely to provide customers with the information control they need and could provide rapid payback.

- **Leverage the value of analytics.** A modern hybrid IT platform is a complex environment creating a raft of data – most of which is relatively useless. However, when collected and analysed in a meaningful manner, such data can become the information that feeds into knowledge, which can then help the organisation turn it into wisdom. Printers are major data hubs, and most MPS vendors already provide good analytics for the print environment, which should now be regarded as part of much more far-reaching information workflows, and also take part in the increasingly complex Internet of Things (IoT) environment.

Buyer recommendations

As our research indicates, MPS plays an important role in digitisation projects and should be key to supporting the shift to a more permanent hybrid working environment. There are also extensive security considerations associated with document workflows that extend across corporate and domestic networks. Additionally, sustainability issues are becoming more prominent, and the impact of print and document workflows on environmental targets should form part of the decision-making criteria. Buyers should look for providers that:

- **Offer a coherent solution to support the hybrid workplace.** Providers should be able to advise on and deliver home-office device provision, monitor usage and security patterns, and offer solutions that allow closer collaboration between the home and office environment, including secure print management, alongside consumables replenishment services.
- **Support the transition to a cloud print environment.** Providers should be able to deliver cloud consultancy and design solutions that are appropriate to the organisation's level of cloud maturity and ambition. The provider should offer clear metrics on the benefits a cloud transition will deliver.
- **Evaluate workflow automation services.** Explore solutions such as business process automation, broader workplace technology solutions, and the benefits of the provider's wider partnership ecosystem to ensure that digitisation can proceed at the desired pace and sophistication.
- **Consider a zero-trust-based print infrastructure.** Security continues to be a critical factor as IT environments evolve to a distributed, perimeter-less model. Evaluate zero-trust MPS approaches and how MPS solutions integrate with existing tools such as SIEM and endpoint detection and response, while also ensuring devices remain protected and monitored by built-in security features.
- **Leverage analytics to deliver continuous improvement and value-added services.** Analytics from the print environment and adjacent IoT-powered services can deliver valuable information around device and workspace usage patterns, service requirements, and much more.
- **Provide measurable sustainability benefits and articulate their own sustainability impacts.** As supplier sustainability due diligence enters the realm of regulatory compliance, expect MPS vendors to supply detailed data around the environmental and social impacts of their own operations. Look for solutions that contribute to key environmental targets, such as reducing energy consumption, waste, and carbon emissions.

Vendor assessment

Quocirca's vendor assessment is based on a range of criteria that determines an overall score for market presence and completeness of offering. Each score is based on a scale of 1 to 5, where 1 is weak and 5 is very strong. This evaluation of the MPS market is intended as a starting point only. Please note that Quocirca's scoring is based on an unweighted model, although prospective buyers may wish to weight the scores to meet their own specific needs.

Market presence criteria

- **Enterprise customers.** The strength of the vendor's global enterprise customer base.
- **Strategy.** The comprehensiveness of the vendor's MPS strategy, the quality of its overall value proposition and its evolutionary vision for MPS.
- **Maturity of offerings.** How long the vendor has been active in the market and how developed its offerings are.
- **Geographic reach.** A vendor's geographical reach, either via direct engagement or through partners or channels.
- **Market credibility.** The effectiveness of the vendor's initiatives to promote its brand, increase awareness of its service offering and influence market development. This also includes the clarity, differentiation and internal/external consistency of the vendor's market messages.
- **Alliances and partnerships.** The strength of the vendor's partner and alliance network.
- **Investment and dedicated resources.** The vendor's investment in its MPS portfolio and resources, and innovation that will add improvements in approach, processes or service offerings.

Completeness of offering

- **Modularity of services.** The flexibility and scalability of the service portfolio to provide a customised offering.
- **Breadth and depth of service offering.** The range of services available, including complementary ones such as business process outsourcing (BPO), IT outsourcing (ITO) and document process outsourcing (DPO).
- **Helpdesk capabilities.** Centralised helpdesk capabilities and integration, remote diagnostics and support.
- **Production printing.** Central reprographics department (CRD) or print-room services to support high-volume printing requirements.
- **Multi-vendor support and maintenance.** The vendor's ability to service and support third-party products.
- **Reporting.** The breadth and depth of capabilities to provide analytics and reporting.
- **Workflow automation.** Capabilities and expertise for business process automation – both software solutions and business process services. This includes solutions to support document capture, routing and integration with enterprise content management (ECM) systems.
- **Industry solutions.** Ability to offer industry software solutions in key vertical markets and industry alignment of sales force.

Figure 15 represents Quocirca's view of the competitive landscape for vendors that deliver enterprise MPS.

- **Market leaders.** Vendors that lead the market in both strategic vision and depth of service offering. Leaders have made significant investments in their service portfolio and infrastructure and are supported by strong delivery capabilities.
- **Strong performers.** Vendors that have established and proven offerings supported by demonstrable customer success.
- **Contenders.** Vendors with service offerings that are currently being aligned on a global or European basis. Contenders are typically investing in resources, infrastructure and partnerships to expand their market coverage.
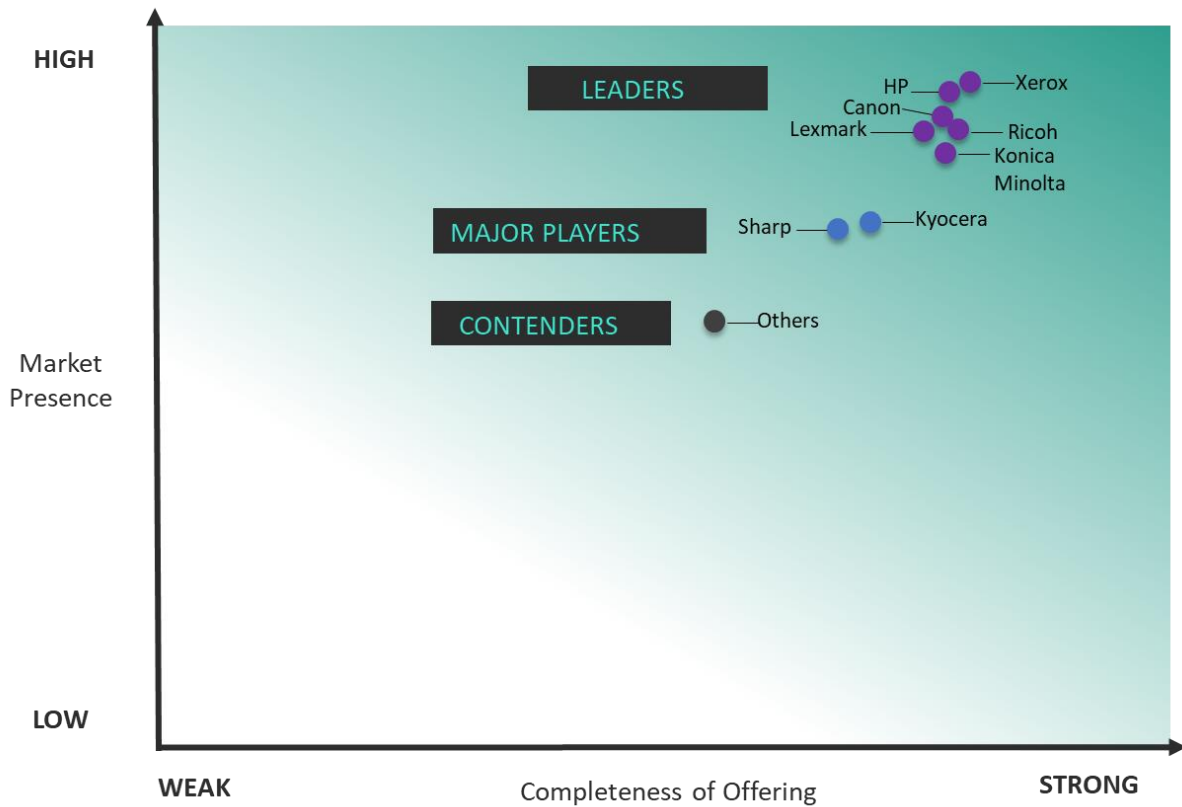
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This information is provided as a visual representation only and should be combined with other sources to determine the suitability of any vendor product or service.

Figure 15. Quocirca MPS vendor positioning, 2022

The Quocirca Vendor Landscape is a graphical representation of Quocirca's opinion of the market and is based on Quocirca's scorecard methodology. Quocirca does not endorse any vendor, product, or service. Information is based on the best available resources, and opinions reflect judgment at the time. All opinions are subject to change.

Vendor profile: Xerox

Quocirca opinion

Xerox is one of the most established MPS vendors in the market, with the broadest capabilities across the cloud, digital workflow, security and analytics. Although it particularly stands out for its multivendor approach, a strong differentiator is its ConnectKey technology platform, which enables businesses to drive productivity and efficiencies across their document processes. Notably, Xerox was the first print vendor to achieve FedRAMP (Federal Risk and Authorization Management Program) accreditation, which standardises security assessment, authorisation and monitoring for cloud products and services.

Xerox's overall MPS strategy is to help customers optimise their print infrastructure, secure their print environment, and automate business processes. A core set of services optimise and securely manage printers and documents across flexible work environments and are complemented with digital transformation capabilities enabled by Xerox MFPs. Analytics identify opportunities for cost reduction, security, sustainability and workflow improvements. Proactive security solutions identify and remediate potential risks across devices, documents, data and content. All services can be delivered remotely through cloud-native solutions with zero IT footprint.

Xerox is particularly strong within the enterprise space and continues to expand its focus on the SMB sector through its partners and acquired dealers. Growth areas include printer, document, data and content security solutions for on-campus and home offices; cloud-based device management, print management and workflow solutions; workflow automation from standard and customisable apps through business process automation; business intelligence through real-time and AI-driven predictive data analytics; capture and content services including digital mail; multichannel marketing and communication services; solutions to help customers achieve their sustainability goals; and IT managed services.

Global service delivery

Xerox serves a global customer base from two primary go-to-market units – the Americas, comprised of the US, Canada, Mexico, Central and South America, and EMEA, which includes Europe, the Middle East, Africa, and India. Fujifilm Business Innovation (formerly known as Fuji Xerox) covers the APAC region.

Xerox's customer base spans over 160 countries and provides services to over 90% of Fortune 500 companies. It has a standardised global service delivery model to provide a consistent customer experience. This is underpinned by a powerful technical support structure that employs more than 14,000 direct skilled resources, who provide 24/7 support to clients worldwide.

The company's direct sales force has deep knowledge of specific industry work practices and digital transformation trends, which helps it to promote the value of its entire global document services portfolio to solve client problems. Xerox also works with several strategic IT partners, including Cisco, McAfee, HCL, TCS, CGI and Atos, combining its MPS capabilities with partners' IT managed service offerings to meet large enterprise customers' broader needs.

MPS for the modern workplace

Xerox has long been on the path to enable agile, digital services for enterprise and SMB clients beyond traditional print management capabilities. Its cloud-first development path strategy allowed it to pivot very quickly to support homeworkers early in the pandemic. It further expanded its offer in 2020 to supply device, print, security, and productivity services and solutions for an enhanced definition of workplace that includes home offices, on-campus offices, coffee shops, libraries, and anywhere in between.

MPS for home office

Xerox's managed print services for home office use Xerox Device Direct technology to enable customers with remote/home workers to be supported with MPS. Xerox Workplace Cloud Print Tracker extends print monitoring into the home office, helping organisations strengthen security and monitor print costs remotely. Whether the home printer (any brand) is company supplied or personally owned, jobs sent using a company laptop can be

centrally tracked with cloud service analytics tools, which gives visibility of what is being printed in the home as well as the office.

Xerox offers three levels of service. White glove includes either premium ConnectKey-enabled or non-ConnectKey MFP delivery, install, and configuration consistent with current contracted services, including IT requirements. It also involves automated meter reads that tie into the existing billing process and helpdesk support consistent with the existing contract. Users can access productivity tools such as ConnectKey Apps or Xerox Workflow Central if equipped with an appropriate Xerox device, as well as DocuShare content management software. Xerox's homeworker service also includes reactive break-fix, proactive supplies replenishment, and basic reporting that differentiates home office devices from corporate devices. The professional level is as per the white glove level, with two exceptions – it excludes installation, and reactive break-fix is achieved through an exchange program. The entry service level is available for personally supplied printers of any brand.

Insight through analytics

Xerox's MPS Advanced Analytics dashboard is a step-change in its analytics toolset strategy. It provides clients with self-serve, always-on insight into the global printer fleet, users/documents, sustainability metrics, and security via a single pane of glass. This insight can be used to identify and monitor security risks to data, documents, devices and content; track progress against sustainability initiatives; and identify manual workflows and paper-intensive processes that can be optimised and automated with Xerox digital transformation solutions and capabilities.

Connectivity in the cloud

Xerox MPS offers a broad range of cloud-native tools and solutions. Cloud fleet management solutions such as Xerox Services Manager, Xerox Device Manager, Xerox Device Agent, Workplace Cloud Fleet Management Solution, Fleet Management Portal, and Xerox Services Portal optimise the IT infrastructure with a low/no on-premise footprint and simplified IT effort.

Private cloud tools such as Workplace Suite, Workplace Cloud, Virtual Print Management, and Workplace Cloud Print Tracker better support mobile and home workers while also simplifying IT requirements. Cloud productivity solutions such as Workflow Central enable workers to tap into ConnectKey technology from anywhere, with any device.

Xerox invests heavily in its core MPS tool suite – Xerox Services Manager, Xerox Device Manager, Xerox Device Agent, Xerox Report Manager and Xerox Services Portal. These core MPS tools are steadily updated with two planned releases per year to improve service efficiency and customer satisfaction and enable new offerings or capabilities. Examples of enhancements include using BOTS and predictive analytics to proactively manage break-fix and supplies.

Security solutions

Security is core to Xerox's MPS engagements, and it combines in-house solutions and services, partnerships with cybersecurity experts, and connections with other IT providers to enable customers to bridge their own IT security systems with Xerox technology. Xerox MPS supports zero trust and provides end-to-end security and connectivity in the cloud.

Xerox's comprehensive security approach prevents intrusions to safeguard access to data, detects any unauthorised and harmful changes to devices and protects data and documents. Its ConnectKey ecosystem features a comprehensive set of advanced security features in partnership with McAfee and Cisco. Secure device and document management solutions monitor devices, usage, and content for compliance with policies, regulatory requirements, and data privacy acts. Xerox has also integrated with SIEM software tools such as McAfee Enterprise Security Manager, LogRhythm, and Splunk to communicate security event data in real time.

Remote support

Xerox is optimising its operations through technology investments that enable and support business transformation through remote technical services processes and tools, along with a clear global customer service delivery strategic roadmap for the future.

Xerox is leveraging CareAR augmented reality to improve its performance and ensure client availability of Xerox technology. Using CareAR and other tools helps achieve faster time to resolution, higher first-time fix rates, improved knowledge transfer among field engineers, enhanced service and downtime reduction, and improved customer experience.

About Quocirca

Quocirca is a global market insight and research firm specialising in analysing the convergence of print and digital technologies in the future workplace.

Since 2006, Quocirca has played an influential role in advising clients on major shifts in the market. Quocirca's consulting and research are at the forefront of the rapidly evolving print services and solutions market, trusted by clients seeking new strategies to address disruptive technologies. Quocirca has pioneered research in many emerging market areas. More than 10 years ago Quocirca was the first to analyse the competitive global market landscape for managed print services (MPS), followed by the first global competitive review of the print security market.

More recently Quocirca reinforced its leading and unique approach in the market, publishing the first study looking at the smart, connected future of print in the digital workplace. The Global Print 2025 study provides unparalleled insight into the impact of digital disruption, from both an industry executive and end-user perspective.

For more information, please visit www.quocirca.com.

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