IDC MarketScape: Worldwide Cloud MPS Hardcopy 2022 Vendor Assessment
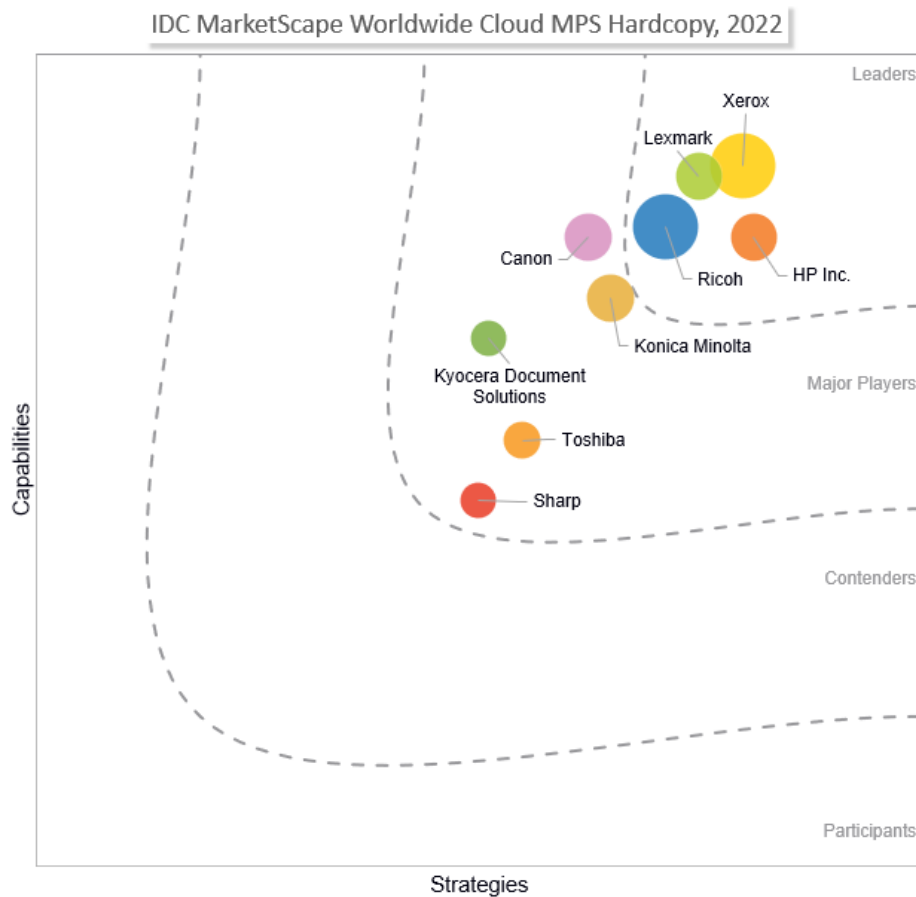
Robert Palmer

THIS IDC MARKETSCAPE EXCERPT FEATURES LEXMARK

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Cloud MPS Hardcopy Vendor Assessment

Source: IDC, 2022

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Cloud MPS Hardcopy 2022 Vendor Assessment (Doc # US47337721). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

This IDC study assesses the market for cloud-based managed print services (MPS) as well as other cloud-based contractual print service models to target both enterprise and SMB. Businesses face significant challenges today with increased demand for hybrid work options. From a print perspective, needs have evolved beyond simply equipping remote workers with printers in the home. To support the long-term needs of the hybrid workforce, organizations must support users across a wide range of network configurations.

Meanwhile, there is growing desire to manage at-home or remote printing devices more effectively through usage monitoring, improved security measures, providing remote access to advanced print and document services, and providing for ways to track usage and reimburse printing expenses. Increasingly, organizations are looking to cloud-based print and print services to address these needs. The value proposition of cloud-based MPS is consistent with current IT trends, including an ongoing shift to cloud computing to eliminate IT infrastructure, the need to reduce operational costs, drive operational efficiencies, and free up IT resources for more strategic programs.

This assessment discusses both quantitative and qualitative characteristics that position vendors for success in this important market. This IDC MarketScape covers a variety of hardcopy vendors and is based on a comprehensive framework to evaluate cloud-based print capabilities as standalone services and solutions, within the context of a managed print and document services (MPDS) engagement, and as non-MPDS programs and services. Organizations using the IDC MarketScape for cloud-based MPS can identify vendors with strong offerings and well-integrated business strategies aimed to keep the vendors viable and competitive over the long run. Capabilities and strategy success factors identified from this study include:

- Vendor capabilities and strategy for provisioning, deployment, and delivery of cloud-based print services
- Strategies to address cloud-based print management, next-gen print infrastructure as a service, new billing structures and business models (including print as a service), print and document security, enabling the hybrid workforce, and channel enablement
- Capabilities to support a fully hosted cloud-based print acquisition and delivery model designed to simplify the acquisition and management of printing hardware and services
- A full range of cloud-based print services offerings, ranging from simple cloud-based printing or secure print to programs that allow customers to outsource the entire print infrastructure, including printing hardware, print servers, and print-related solutions and services
- Solutions designed to address cloud print management, cloud-based secure scan and print, intelligent capture and workflow automation, ECM and/or document management, and other horizontal- and vertical-specific applications
- Ability to support a wide range of pricing models and billing structures, including SaaS-based offering that can be sold under a subscription-based billing model

- IoT-enabled hardware and analytics combined with mobile-ready technologies to drive business insights and inform critical decisions around process improvement and workflow automation

- A road map to address specific end-user challenges related to advancing print and document maturity, enabling the remote/hybrid workforce, and securing the print and document infrastructure

- Ability to address core competencies in MPS, including assessment, design, optimization, device and supplies management, governance and change management, end-user support, tracking, reporting, security, billing and invoicing, mobility, and support for remote users

- A holistic approach to delivering horizontal and vertical solutions and services through both direct and indirect channels

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

This document includes an analysis of nine major hardcopy equipment manufacturers with broad services and solutions portfolios to specifically address the needs for cloud-based print services on a global scale. Participation in this study was extended to hardcopy vendors that offer managed print and document services programs through direct and indirect channels, with total MPS revenue exceeding $50 million in 2020. Excluded from the study were IT outsourcing companies, business process outsourcing (BPO) providers, and software manufacturers that either offer print and document services as part of their IT services or subcontract these services to hardcopy vendors. Indirect channel partners of hardcopy equipment manufacturers have also been excluded from this study.

ADVICE FOR TECHNOLOGY BUYERS

Businesses of all sizes are showing increased interest in cloud-based print and print management to not only reduce costs but also lessen the burden on IT and move to a more flexible, predictable billing model. While cloud migration was already well underway, the COVID-19 pandemic has had a dramatic impact on how work gets done, leading to more remote employees and the need to create stable and secure work-from-home (WFH) environments.

A recent study from IDC shows how technology adoption within the print infrastructure has changed since the onset of the COVID-19 pandemic. In fact, IDC's research shows that 46% of businesses are looking to move to cloud-based printing and/or print management in the near future. For more information, see *IDC Survey Spotlight: Adoption of Cloud-Based Print Management Solutions* (IDC #US48334621, October 2021).

Just as important, the study indicates little difference in outlook between large enterprises and their SMB counterparts. At the enterprise level, there is considerable need to optimize print to achieve availability and scalability while ensuring that lingering legacy print infrastructure does not impede digital transformation initiatives. For the SMB customer, cloud-based MPS provides a platform to enable a range of print- and document-related services at various entry points and cost/billing models.

Meanwhile, the need to provide better security for remote devices while ensuring data protection and privacy is an important area that is driving increased interest around cloud-based printing. IDC expects to see broader deployment of cloud-based print management tools and infrastructure as businesses look to leverage IoT and data analytics to provide better management and support, not only around security but also for proactive and predictive service to improve productivity and lessen the need for onsite service technicians.

Accordingly, organizations should consider the following:

- **Understand print needs for the distributed workforce:** Organizations moved quickly to enable their employees to work from home more effectively. From a printing perspective, however, initial stopgap measures adopted during the earlier stages of the pandemic are likely inadequate for long-term requirements.

- **Support the hybrid workforce:** Put plans in place to account for an increase in the number of part-time or permanent WFH employees. Transitioning to a distributed workforce places emphasis on managing additional outside assets, and this will put increased strain on IT resources that may already be stretched. Leveraging a cloud-based MPS program, organizations can offload certain responsibilities for managing the print environment and reduce burden on IT resources.

- **Ensure that consistency is key:** It will be important for organizations to ensure a convenient, consistent, and seamless printing experience for employees, regardless of where they are working. When looking to enable employee productivity in a hybrid workforce, it is essential for home-office settings to mimic traditional office settings.

- **Consider print in corporate governance:** Consider how print infrastructure fits within corporate governance policies while identifying best practices for maximizing security and data protection in a hybrid working model. This should include measures such as cost controls for hardware acquisition and supplies expense reimbursement; remote monitoring, management, and service/support; better visibility into print usage and spend; and improved security measures, content protection, risk mitigation, and threat remediation. Cloud-based print management tools are essential for effective monitoring and management of remote, off-campus devices.

- **Drive greater value from your existing MPS program:** Enterprise organizations already involved in an MPS engagement can realize significant benefits by moving to a cloud-based delivery model. Businesses should consider shifting the focus away from optimizing print assets and more toward driving better business outcomes around improved uptime, scalability, sustainability, and security and enabling a "print from anywhere to anywhere ecosystem."

- **Look to hardcopy vendors for support:** Seek assistance from technology suppliers and print service providers to determine the best approach for deploying a cloud-based print management solution, including the differences between self-managing versus a solution deployed as part of a managed services offering.

- **Consider financial considerations:** Look for flexibility in financing options, with monthly billing models and predictable costs. It is also important to consider how your organization will manage the reimbursement of printing expenses for remote employees.

- **Where are you on your cloud journey?** Consider how deploying cloud-based print management tools will fit within the organization's long-term objectives around digital transformation and cloud migration. Organizational needs vary greatly depending on company size, industry, and print volumes. Businesses will need hybrid printing solutions tailored specifically to meet their organizational needs.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Lexmark

Lexmark is a Leader in this IDC MarketScape for cloud-based MPS as well as other cloud-based contractual print services worldwide. Lexmark is headquartered in Lexington, Kentucky.

Lexmark views cloud-based print and print services as a strategic opportunity for organizations of all sizes. Recognizing that print continues to play an integral role in business processes, Lexmark points to several key challenges organizations face in the new work environment, such as meeting expanding needs for hybrid work options, dealing with the complexities of the evolving network, having a desire to remotely leverage advanced services, and maintaining security and compliance in an environment where people and assets are constantly exposed.

Over the years, Lexmark has established a comprehensive MPS infrastructure, complete with a global services delivery platform and a large portfolio of solutions and services. Most recently, Lexmark has looked to drive innovation in key technology areas such as cloud, IoT, and interactive analytics to address the emerging needs of the hybrid workforce focused in three primary areas: eliminate IT burden, enable digital transformation, and drive savings and flexibility.

Lexmark positions the cloud as the centerpiece to its approach for enabling a new model for print and document services. Essentially, Lexmark views the future of print as an IoT opportunity where everything is connected and the ability to collect and analyze usage data is key to driving productivity, efficiencies, and overall cost savings. With its Cloud Bridge technology, Lexmark can connect devices into its core back-end systems to unlock MPS outcomes for all customers and all paths to market. While the priority is around scalable data collection, Lexmark is also working to expand solutions support to the lower ends of its hardware portfolio, which it says is critical as customers look to deploy smaller devices to meet the needs of a more distributed workforce.

Lexmark Cloud Bridge is essentially a family of connectivity agents that extends access to advanced managed print services for organizations managing complex network environments while bringing remote fleet management and other cloud services to a broader set of customers, partners, and devices. There are four different connectivity agents that make up Lexmark Cloud Bridge:

- **The Native Agent** allows Lexmark printers and MFPs to connect directly into the Lexmark cloud platform. As its name implies, the Native Agent is built into the firmware of many of Lexmark's latest IoT-enabled printing devices and is also supported on certain older machines through firmware updates.

- **The Printer Agent** runs on any solutions-enabled printer/MFP that is not IoT native. Essentially, the Printer Agent is an app that extends cloud connectivity to older devices in the fleet.

- **The Fleet Agent** is Lexmark's traditional digital collection agent (DCA) that runs on a server or PC for flexibility to aggregate data on premises with a server-based solution. The Fleet Agent allows for connectivity into third-party applications and supports the management of a multivendor environment.

- **The Local Agent** supports direct connected printers for security-conscious customers that manage their hybrid work environment through a private network with VPN.

By integrating Cloud Bridge technology within Lexmark Cloud Services (LCS), Lexmark can provide customers with a singular platform for delivering a full range of cloud-based print and document services on a global scale. Any Cloud Bridge-capable device is remotely manageable through Lexmark's Cloud Services-integrated MPS platform, which basically serves as an alternative to traditional premise-based pull print, device management, and productivity solutions.

Operating on a multitenant cloud platform, customers and partners can realize several benefits from LCS, including reduced time and effort in maintaining and supporting the print infrastructure and significant reduction of physical infrastructure required at customer locations. Lexmark Cloud Bridge also enables guest print functionality so that users can send print jobs to the cloud for later release from any device and any location. This functionality was previously available through Lexmark Cloud Services, but with Lexmark Cloud Bridge, customers no longer need to download specific software.

Lexmark also leverages predictive support to reduce IT burden and free up resources often dedicated to managing and maintaining the printer/MFP fleet. Lexmark pairs IoT and digital twin technologies to ensure equipment uptime, leveraging artificial intelligence (AI)-powered technologies for supplies monitoring and replenishment, sensor-based algorithms to monitor hardware and anticipate/correct potential service disruptions, and solutions to automate job ticketing and global system upgrades. Lexmark is moving to a fully automated process for data and analytics, providing an interactive Customer Governance Portfolio that is directly tied to its cloud-based data system.

Security is also an important component of Lexmark's overall approach to cloud-based print and print management. IDC has recognized Lexmark as an industry leader in previous IDC MarketScape documents covering print and document security (see *IDC MarketScape: Worldwide Security Solutions and Services Hardcopy 2019-2020 Vendor Assessment,* IDC #US44811119, December 2019). The firm's expertise and experience in this area serves as the backbone of Lexmark Cloud Services, combining expertise and experience in security with the scalability and cost-effectiveness of its cloud offerings to deliver on-demand print and document services while ensuring security, control, and performance.

Lexmark's single global IoT system provides highly flexible billing options and can easily consolidate into local and country billing to provide a single global view. Lexmark's cloud-based services are available in a wide variety of procurement and billing options, ranging from traditional click-based programs to flat rate plans, fixed rate plans, all-inclusive plans, and subscription-based models.

Strengths

Lexmark continues to drive innovation within its overall approach to MPS, with a focus on simplifying all aspects of the print experience. When Lexmark launched its Cloud Print Infrastructure (CPI) as-a-service offering in 2019, it stressed the foundational pillars for a simplified infrastructure for print acquisition, IT management, and user support. With the introduction of its Cloud Bridge platform, Lexmark can now deliver the full range of its managed service offerings in essentially any environment, bringing the value proposition of MPS to a broader range of customers from SMB to enterprise.

Lexmark is in a strong position to deliver on the promise of the cloud as organizations look to leverage technology to improve print-related business outcomes and reduce on-premises infrastructure. Those elements that make Lexmark a leader in the MPS space, such as investments in IoT printing hardware, security expertise, and a global service delivery platform, all play an important role in the firm's ability to lead the markets' transition to print as a service.

Challenges

Lexmark has built a formidable MPS business providing services directly to large enterprise accounts. This experience has helped the firm establish innovative technologies and solutions within virtually all areas of the MPS ecosystem. Lexmark will need to work closely with channel partners and third-party technology suppliers as it continues to build out SMB-oriented programs, tools, and services.

Consider Lexmark When

Organizations should consider Lexmark when looking to move to any form of cloud-based print services model, whether that is a simple cloud-based pull print solution or a full-blown Next-Gen Print Infrastructure-as-a-Service program. Lexmark's broad range of services combined with its Cloud Bridge technology and modular delivery model means that customers can engage regardless of where they are in the cloud migration journey. Lexmark should also be on the short list of vendors when considering programs that require vertical-specific expertise. Lexmark's verticalized approach to the market has helped establish the firm as a strong contender for any program where deep integration with existing business systems and applications is important.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

The focus of this IDC MarketScape is on the strategies and capabilities the vendor has at its disposal to support delivery of managed print services (MPS) through a cloud acquisition and deployment model. The study considers the various programs and delivery models that vendors can provide in the area of print as a service and subscription-based print services. Other important definitions to consider as part of this study are discussed in the sections that follow.

Managed Print and Document Services

- **Third-party management of a fleet of printers and/or MFPs under a multiyear agreement.** Coverage includes, at a minimum, ink/toner and maintenance/repairs. It may also, optionally, include hardware.

- **Contract.** The contract may also cover management of an in-plant, central reprographic department (CRD); copy center; or datacenter; however, it must be included in the distributed office environment. The contract includes a remote monitoring solution while acknowledging the fact that nonnetwork-connected machines would require manual monitoring.

- **Detailed assessment.** It provides provider analysis of the organization's actual print/copy usage and recommends an output strategy for optimization with defined goals.

- **Fleet usage analysis/reporting.** It includes ongoing analysis, reporting, and recommendations against predefined goals.

- **Ongoing optimization.** With proactive management, usage of the provider's resources is to continuously manage the environment toward contract goals.

- **Governance.** It established business rules and/or a formal change management program with education and incentives to get employees and their managers to achieve and sustain contract goals for printing and document workflows.

- **Benefits to the user.** MPDS is a comprehensive model for achieving increased cost savings, improving productivity, driving process efficiencies, meeting security and regulatory compliance, and supporting sustainability policies and goals.

Next-Gen Print Infrastructure as a Service

- Provides all the benefits of traditional MPS through a cloud-based deployment and delivery model
- Fully hosted cloud-based print acquisition model designed to simplify the acquisition and management of print
- Outsource the entire print infrastructure, including printing hardware, print servers, and print-related solutions and services
- Sold as a SaaS-based offering under a subscription-based billing model
- IoT-enabled hardware and analytics combined with mobile-ready technologies to drive business insights and inform critical decisions around process improvement and workflow automation

LEARN MORE

Related Research

- *MPDS Benchmark Survey, 2021: MPDS Adoption and Implementation* (IDC #US48334121, October 2021)
- *IDC FutureScape: Worldwide Imaging, Printing, and Document Solutions 2022 Predictions* (IDC #US48287621, October 2021)
- *IDC Survey Spotlight: Adoption of Cloud-Based Print Management Solutions* (IDC #US48334621, October 2021)
- *Market Analysis Perspective: Worldwide Next-Gen Document Services, 2021* (IDC #US47102521, September 2021)
- *Worldwide and U.S. Managed Print and Document Services and Basic Print Services Forecast, 2021-2025* (IDC #US46358821, July 2021)
- *Worldwide and U.S. Managed Print and Document Services and Basic Print Services Market Shares, 2020: The Modernization of Print* (IDC #US46358921, July 2021)
- *IDC MarketScape Criteria: Worldwide Cloud MPS 2021 Vendor Assessment* (IDC #US47726121, June 2021)

Synopsis

This IDC study assesses the market for cloud-based managed print services (MPS) among foremost global hardcopy vendors and identifies their strengths and challenges. This assessment discusses both the quantitative and qualitative characteristics that position the vendors for success in this important market. This IDC MarketScape covers a variety of hardcopy vendors and is based on a comprehensive framework to evaluate cloud-based MPS delivered as standalone services and solutions, within the context of a managed print and document services (MPDS) engagement, and as non-MPDS programs.

"Changes in work processes and work culture combined with the evolving needs of the extended (or distributed) workforce will place greater emphasis on the need for cloud-based print services," says Robert Palmer, research vice president for IDC's Imaging, Printing, and Document Solutions group. "IDC expects to see broader deployment of cloud-based print management tools and infrastructure as businesses look to leverage IoT and data analytics to provide better management and support while enabling a print from anywhere to anywhere ecosystem."

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

Global Headquarters

140 Kendrick Street
Building B
Needham, MA 02494
USA
508.872.8200
Twitter: @IDC
blogs.idc.com
www.idc.com