IDC MarketScape

IDC MarketScape: Worldwide Print in the Distributed Workforce 2022 Vendor Assessment

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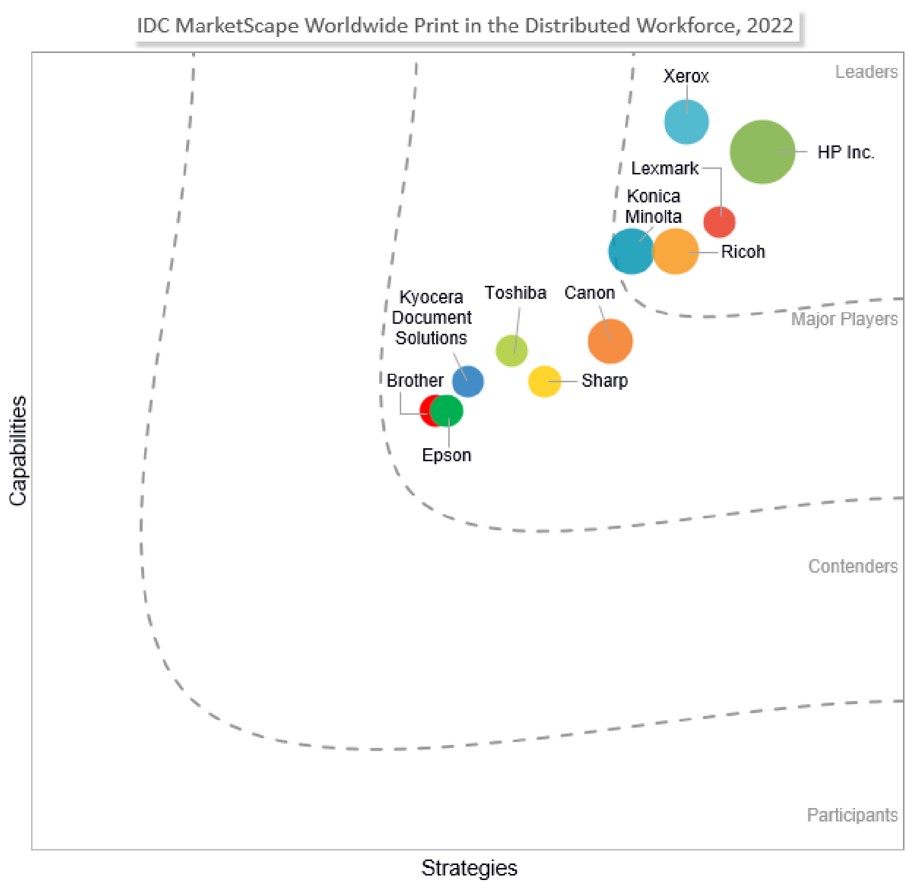
THIS IDC MARKETSCAPE EXCERPT FEATURES LEXMARK

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Print in the Distributed Workforce 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 Print in the Distributed Workforce 2022 Vendor Assessment (Doc # US48596221). 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 MarketScape assesses the strategies and capabilities of the major office printing vendors to support an increasingly distributed workforce on a worldwide basis. The concept of a distributed workforce is not new, but its expansion caused by the ripple effect of the COVID-19 global pandemic is a significant development on how work will be conducted in the future. During the pandemic, organizations were forced to collectively operate remotely, mostly in home offices, while aiming to demonstrate no decline in productivity. This experience, over an extended period, has led to the notion that a remote workforce can function effectively. As a result, we anticipate that work from home will be more normalized in the future, even with the passage of the pandemic and its substantive business impact.

Several IDC survey studies examining the future of work and work locations confirm the hypothesis that work from home will gain a greater share of future work conducted versus the pre-pandemic era. While print use is maturing, we do find that this mission-critical function remains essential for the preponderance of organizations' employees. As such, even under pandemic conditions, it is necessary to equip office workers and remote workers with access to print and other important document functions. Given this expected scenario, it is more crucial than ever for print OEMs to account for the deployment, use, and ongoing management of the essential print function. In the post-COVID-19 pandemic period, effectively managing print with an appropriate mix of hardware, software, and services within the context of an increasingly distributed workforce will grow in importance.

Several influencing factors impacting the anticipated future of work shift to a hybrid work model have reshaped the print opportunity. Organizations have had the luxury of time during the pandemic and subsequent office closures to focus on internal business operations. The market is currently in varying stages of returning to the office, but the fundamental question is, has this passage of time provided the organization to act on a well-crafted plan to:

- Change its office environment that is better aligned with organizational goals and employee needs.
- Address any existing and known operational weaknesses from the pre-pandemic period that was not or could not be acted on at that time.

In addition, employees have had this same lengthy time frame to learn new work behaviors (e.g., printing less) that have now become firmly entrenched. These new work behaviors, initiated by the pandemic and work-from-home mandates, may materially alter any pre-pandemic technology procurement plans.

Balancing the apparent polarization of what employers desire to bring workers back to the office against employees' need for flexible work options is another organizational challenge. Regardless of how this dichotomy is addressed, the expected result is that more work will be conducted in home and remote locations in the future when compared with the pre-pandemic era. Subsequently, organizations will face the reality of rethinking their office space requirements and the technologies needed for these workspaces if employees will spend less of their work time in these locations. One of the considerations influenced by this change will be the firm's strategy for future office technology investments, including, but not limited to, printers and MFPs.

This IDC study uses the IDC MarketScape model to assess multiple quantitative and qualitative criteria that can be used to evaluate a vendor's offerings and position in the marketplace. The evaluation is based on a standardized set of parameters, which IDC uses to produce a comparative analysis of the major print vendors targeting the office opportunity. Organizations using the IDC MarketScape for print in the distributed workforce can identify vendors with strong offerings and well-integrated business strategies aimed to keep the vendors viable and competitive over the long run. Strategies and capabilities' success factors identified from this study include:

- Hardware, software, and services that address the evolution of a workforce shift and cater to a new set of requirements for a different type of workforce to emerge in the post-pandemic era
- Demonstrating how the role of cloud, predictive analytics, remote monitoring, and other intellectual property will be part of this change and fuel new innovations in the print portfolio
- Financial metrics that demonstrate a track record of achieving stated goals and a pattern of sustaining growth (A plan for financial growth should be clear along with a plan to maintain R&D activity to spur this growth and drive innovation.)
- A flexible go-to-market model that is critical and should be inclusive of local/global resources, appropriate price models, and delivery via traditional and emerging (e.g., cloud-based offerings) routes to meet customer preferences in a distributed workforce environment
- Demonstration of thought leadership through programs, plans, and other marketing efforts to raise awareness of specific initiatives to address an evolving workforce model (This demonstration should include customer testimonial on the effectiveness of the effort as well as the OEM's own internal implementation of OEM solutions that show innovation and thought leadership.)

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

This study includes an analysis of the printer/MFP manufacturers that target the global office printing market with a range of hardware, solutions, and services portfolios. Print must be core to the vendor's business.

All these manufacturers now need to contend with an increasingly distributed workforce spurred by the COVID-19 pandemic and expected to be maintained in the future. Consequently, each manufacturer's print-specific product offering will need to address the new market requirements resulting from this fundamental change within the office of the future. Specific to this future of work scenario, these new market requirements include, but are not limited to:

- Anticipate customers' new requirements for print in an expected hybrid work model of both office and home/remote locations.

- Address new work behaviors that impact the use of print learned during the pandemic period in which work location and access to print technology were impacted.
- Enhance the remote work and print experience as they shift from an ad hoc status to a regularly used environment to complete work.

ADVICE FOR TECHNOLOGY BUYERS

The COVID-19 pandemic has irreversibly changed the market going forward. During the peak of the pandemic, organizations learned, out of necessity, to operate in a virtual mode where face-to-face, in-person engagements were restricted for an extended period. We learned that, while it was not always optimal nor preferred, it was at least possible to function effectively in this manner. As a result of this experience, companies and employees are expected to increasingly take advantage of the ability to work in locations outside of the office. This transition has notable ramifications for technology, including the procurement and use of printing technologies in the company.

Since we are addressing remote and home locations that define an increasingly distributed workforce, we believe that cloud plays an integral role to provide for this changing workforce scenario. Throughout this study, we observe how cloud and print in the distributed workforce are intimately related. It is so much so that we advise buyers to also examine a forthcoming IDC MarketScape on cloud MPS that specifically analyzes the competitive landscape for this offer. Knowing the leaders and major players in cloud MPS presents clues into which vendors can best provide for the print function in a distributed workforce. One cautionary note is that while cloud MPS and print in the distributed workforce are related, they are not exactly correlated. However, the use of both analyses is helpful in gaining insights in understanding the key print market players and what they have to offer prospective customers.

IDC research conducted at the end of 2020 revealed several work-from-home challenges. The most significant challenges revealed included the inherent physical challenges of a remote working environment (e.g., space, noise, privacy, connectivity), questions about the availability of information technology (IT) support, and worries over cybersecurity and privacy. While the physical challenges of a remote working environment may not be necessarily addressed with print solutions, the issues of IT support and security can be offered within a comprehensive work-from-home solution. Specific to print, the most significant work-from-home printing challenges reside in a lack of oversight or ability to monitor print usage and security vulnerabilities as well as ensuring compliance with company policy. Again, these challenges can be addressed with solutions available in today's market. Buyers should note these common challenges and seek solutions that help their organizations adroitly navigate through them.

Buyers should be aware that print market participants have spent much of 2021 preparing for digital transformation (DX) and new ways to work at an accelerated pace in response to new market conditions. Characteristics of this response are demonstrated in several latest market developments that likely would not have occurred, if not for the COVID-19 pandemic. These activities, which are part of addressing the needs of a more distributed workforce, include the introduction of new printers and MFPs specifically targeted at the work-from-home and hybrid work markets; more focus on security, cloud, and mobility for home and remote offices; a new emphasis on hygiene (e.g., touchless technologies available for printers and MFPs); and a greater range of print-related subscription services to address print costs and automated supplies and service delivery to home/remote locations.

With respect to subscription services, there are notable drivers pushing this activity. When COVID-19 office shutdowns were put in place, it was initially anticipated to be for a very short period. In fact, this plan started in mid-March 2020 with the idea that return to the office would restart two weeks later at the beginning of April. Obviously, the impact covered a considerably longer period than expected. So the short-term, stopgap measures put in place at that time are not feasible for the long term. Changes to this first plan are needed to appropriately address the permanent nature of the pandemic's market impact. Work from home, including the use of print, should also consider cost controls, service requirements managed through remote monitoring, tools offering visibility for usage, and security measures to ensure protection of business information along with the shopping convenience for the work-from-home employee to procure printing hardware, supplies, and service necessities for their home offices.

While print may not be viewed as a strategic priority for many firms, buyers should remember that print is still an important mission-critical function that needs to be well managed. An increasingly homebound or remote workforce substantially changes what print-related capabilities are needed. If done incorrectly, the organization could suffer with undue costs and productivity shortcomings.

In some respects, the pandemic offered a path for this industry to modernize as an approach to navigate the crosswinds in a digital-first world. While the digital-first terminology sounds like the antithesis of print, we believe that print maintains a critical role. Businesses will need to contend with highly fluid market conditions for the foreseeable future due to the disruptive nature of the pandemic and subsequent response to it. Buyers should anticipate choppy waves to sail while ushering in a new period of transformative operations for their organizations. Print should not be abandoned; instead, its role should be readjusted to fit within the context of the future of work.

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 positioned in the Leaders category in this 2022 IDC MarketScape for addressing print in the distributed workforce on a global level.

Lexmark recognizes that while print will remain a necessity for the office, it needs to embrace IoT, cloud, digital transformation, and security to remain relevant in a new computing landscape of mobility and remote access drivers. Lexmark will shift to a hybrid model, and this shift will drive more remote use with an increased demand for a security overlay. It will require the ability to remotely leverage advanced services and tap into an evolving set of network complexities. Internally, Lexmark recently combined its IT and software R&D team to support next-gen end-to-end solution development to improve its ability to target such opportunities.

In this scenario, cloud is the center of its ability to support a distributed workforce. In fact, Lexmark sees the market as an IoT opportunity where everything is connected, and the ability to collect and analyze usage, status, and sensor data is at the foundation of its approach.

Lexmark's hardware line is aimed at supporting a more flexible work environment. The company focuses on a cloud-connected lineup of devices with a small footprint. Other small, but important, flexible workforce features include native firmware connectivity to its Cloud Fleet Management (CFM) solution to enable remote management to ensure security, control, and visibility of the fleet. Print release, enabled on all Lexmark devices, allows for secure and convenient printing whenever needed. The emphasis is still on A4 configurations, which is good for both office-based and home-based printing requirements. Specific to the home office, Lexmark provides its direct customers with various options. They include hardware and supplies purchasing, fuller management options through VPN and its Cloud Bridge technology, and "printerless" printing. In this last option, employees with periodic printing needs could use the Lexmark Guest Print solution for print release without a user account or hardware for authorization; documents for printing are emailed to Lexmark Cloud Print Management and retrieved via PIN at any specified retail or corporate location.

The company has also highlighted a Smart Refresh plan for hardware, in which the refresh is based on usage and performance data to determine hardware end-of-life versus following time-dependent contract terms that often replace equipment too early or too late. In this case and throughout the Lexmark strategy, the focus is on data and analytics to initiate response rather than other more nebulous metrics.

Lexmark's Cloud Bridge technology allows all types of printers and MFPs to connect to Lexmark's cloud infrastructure and integrate directly into the Lexmark Global IoT System. This advanced connectivity suite is designed to provide MPS features and services (e.g., proactive consumables management), regardless of location and network situation.

Dealing with a distributed workforce is not new to Lexmark. The company's vertical market focus has required the company to address remote locations in pharmacy, banking, and retail establishments for years. In addition, any work environment for MPS has mandated some form of print management for customers with both centralized headquarters and distributed branches or locations. Lexmark contends that its experience with distributed printing requirements over several years helps deal with this next generation of distributed printing with the addition of greater home office use. To enhance the home working experience, Lexmark is working with its channel partners on specialized work-from-home bundles (e.g., bundling hardware with Lexmark cartridges) to ease the working transition from the office to home locations.

We spoke with a Lexmark reseller who noted his expectation of a growing trend toward more A4 devices. In his view, the market requires less "big iron" machines due to market consolidation and the pandemic impact. Specific to the pandemic, the reseller believes that work from home and an increasingly distributed workforce have fundamentally changed office operations pertaining to printing and imaging. Workers need to print and scan, but they want to do so from wherever they are working … whether in the office, home, or remote location. Security is essential, and cloud helps facilitate the process, particularly through Lexmark's Cloud Print Management solution. Both security and the cloud are critical pieces for satisfying the distributed workforce, and this reseller indicated that Lexmark excels in these two categories with specific high praise for Lexmark's cloud management capabilities as a "game changer."

In another customer case, the key ingredient that secured Lexmark's role as the primary printing and imaging provider for this large enterprise was Lexmark's ability to support a global organization and to structure the contract in the customer's way. The organization recognized the need for print, but it did not want to take ownership, nor did it care to lease these products. Essentially, the organization did not want to use internal resources to consider printing. So Lexmark took ownership of this function. Goals were stated to reduce print by instituting a plan to transform paper-based work processes to digital, whereby scanning now plays a crucial role in achieving this objective. Part of this effort was to get employees more familiar with scanning, PDF, and nonprinting technologies. Interestingly, the organization does not compensate for home printing and uses this policy to motivate employees not to use paper-based processes in their work efforts. Lexmark's focus on cloud aligns with this customer's goal to shift many of its IT services to a cloud-based platform.

Strengths

- Lexmark is placing its bets on cloud-based solutions and IoT to evolve the delivery of print to its customers. The company's strategy demonstrates a keen reliance on data gained from this approach for its market execution. Through internally developed tools, Lexmark has obtained unique insight into customer needs that shape its product offerings for home and office work locations.

Challenges

- Lexmark's smaller size, yet nimbler execution, may not always give potential customers the impression of the company as a thought leader and innovator.
- Lexmark exited the home market for its printing and MFP business several years ago, but it has adopted a hybrid approach to accommodate customers that are dealing with newly created work locations. Without considering the home environment for work, the company would miss out on the opportunity created by an increasing share of work conducted in homes.

Consider Lexmark When

Organizations should consider Lexmark when looking for data analytics–driven, vertical-specific expertise or for solutions/services, regardless of working location. The company has a strong portfolio of verticalized solutions and a deep bench of subject matter experts to help organizations design and implement programs to meet very specific objectives in areas around print optimization, workflow automation, and digital transformation for the distributed workforce. Its cloud-focused strategy for addressing the demands of the distributed workforce is factually supported by its reliance on data and should translate into making the correct calls for its customers.

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. We used the combined printer and MFP office (B2B) printing market shares to calculate each vendor's value of shipment share.

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 an increasingly distributed workforce. The COVID-19 pandemic accelerated an established trend to conduct work outside of the traditional office building location. However, this move to a more remote or home-based workforce implies a growing requirement for the print vendor to provide for this transition. This change must aim to address customers' evolving needs across multiple vectors within the office of the future and can include, but are not limited to, specific product feature sets targeting security, workflow, mobility, cloud, and others as well as establishing solutions that address cost management, service and support, new business models, and delivery/installation of technology in this shifting office landscape. These technologies may be hardware or software based and be associated with the communication, dissemination, and/or management of business information.

LEARN MORE

Related Research

- *IDC FutureScape: Worldwide Imaging, Printing, and Document Solutions 2022 Predictions* (IDC #US48287621, October 2021)
- *MPDS Benchmark Survey, 2021: MPDS Adoption and Implementation* (IDC #US48334121, October 2021)
- *IDC Survey Spotlight: Adoption of Cloud-Based Print Management Solutions* (IDC #US48334621, October 2021)
- *Market Analysis Perspective: U.S. Office Printing, 2021* (IDC #US48190621, September 2021)
- *Market Analysis Perspective: Worldwide Next-Gen Document Services, 2021* (IDC #US47102521, September 2021)
- *Market Analysis Perspective: Worldwide and North America Document Imaging Scanners, 2021* (IDC #US47100621, September 2021)
- *Market Analysis Perspective: Worldwide and U.S. Document Solutions, 2021* (IDC #US47100721, September 2021)
- *Work from Home and New Work Behaviors Reveal Upcoming Changes Anticipated for Print* (IDC #US48149121, August 2021)
- *Print Spending Trends Are Moving in the Right Direction in 2021 as the Market Recovers from the COVID-19 Pandemic* (IDC #US48076021, July 2021)
- *Research Excerpt: COVID-19 Impact on Print Services in the Office Market* (IDC #US47102121, June 2021)
- *Voice of the Channel: What Dealers Are Saying About COVID-19 and Its Future Market Impact* (IDC #US47699921, May 2021)
- *U.S. Page Volume Expectations After the COVID-19 Pandemic* (IDC #US47661121, May 2021)
- *U.S. Single-Function Printer Forecast, 2021-2025* (IDC #US46356921, April 2021)
- *U.S. Single-Function Printer Market Shares, 2020: SOHO Demand Was Up, But Supply Shortages Dampened Sales* (IDC #US47557021, April 2021)
- *U.S. MFP Forecast, 2020-2025* (IDC #US46357021, March 2021)
- *U.S. MFP Market Shares, 2020: The Move to the Home Office Boosted Shipments in a Tumultuous Year* (IDC #US46356421, March 2021)
- *Print Market Recovery in the Aftermath of COVID-19: An IDC Multiclient Study* (IDC #US47487921, February 2021)
- *IDC's 2020 Print User Survey Analyzes the COVID-19 Impact by Region, Respondent Age, and Company Size* (IDC #US46769720, August 2020)

Synopsis

This IDC study assesses the strategies and capabilities of the major office printing vendors to support an increasingly distributed workforce on a worldwide basis. Organizations using this IDC MarketScape for global print in the distributed workforce will be able to identify vendors with strong offerings and well-integrated business strategies to provide for this growing market need.

"One of the most significant developments anticipated out of the global COVID-19 pandemic is the development of a more hybrid business operating model that combines the traditional office setting along with home/remote locations. Over the past several months, organizations learned how to effectively work outside of the normal office environment, and we expect that this business model will be maintained in the future," said Keith Kmetz, program vice president for Imaging, Printing, and Document Solutions research at IDC. "As such, both print providers and end-user organizations will need to consider the adjustments needed within the print infrastructure to support an increasingly distributed workforce. If done correctly, there are numerous benefits to be gained. On the other hand, if done incorrectly, the organization could suffer with undue costs and productivity shortcomings."

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.

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