

Corporate Color

Understanding the Market Dynamics for Production-grade Color Computer Printers



The inside story of how technology is changing the way documents in large companies are produced.

Corporate Color provides a detailed and comprehensive picture of print production in the corporate environment. Blackstone Research Associates, chronicler of color printer technology adoption practices since 1991, interviewed hundreds of end users to produce *Corporate Color*. From our offices and in person in the first part of 2001, we interviewed in-plant managers, IT executives, purchasing managers, and marketing executives and learned how the largest companies in the world approach production color printing.

Hear from your customers:

About digital **short run color**: “We try to give ourselves enough time to get it done offset. We want the best product, even if it’s a short run. It’s got to be crisp, it’s got to be clean. I don’t use [short-run] that much, since it seems to sacrifice quite a bit of quality.”

About **investment priorities**: “In the days of the Internet, black and white publishing is not really something that you want to spend a lot of money on.”

About **demand printing**: “Our job is ensuring that nothing is on the shelf.” And “For us, it’s not really on-demand, but on-demand low volume.”

About the **transition to digital**: “I would love to do more traditional printing on digital printers, but I’m just hitting a brick wall.”



Research Associates

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Movement to Production Color Printing Has Just Begun

Xerox President and COO Anne Mulcahy called the office the “last bastion of black-and-white,” but that does not mean the battle for color pages in the corporate production environment is over. In fact, one could say the movement of work onto production digital color printers has barely begun.

Powerful forces are pushing our big-company customers:

- The largest and most document-dependant industries are faced with consolidation that is changing the rules for competition. At the same time, deregulation is adding new communication mandates in many large organizations.
- Consolidation changes reporting relationships and responsibilities throughout the organization, shaking up long-standing document domains, calling into question age-old document practices.
- End customers can't be taken for granted: there is the conflicting requirement to treat customers as individuals, even when one has millions of customers.

Color Technology: Friend or Foe?

Technology can be an ally or an anchor in the face of such challenges. Why do some embrace color, while others avoid it? Why does an in-plant manager in the finance industry return from Xplor and launch the RFP process to acquire digital color printers that will cost about \$3.0 million, while another in the same industry distributes documents to the sales team in black and white, because of limitations of field technology?

The heart of the research for *Corporate Color* is to understand the migration of color print from analog (offset) to digital. Equally important, we have set out to understand how organizations provide a color production infrastructure. Technology offers more choices, and flexibility is a prime motivator when individuals are faced with document technology decisions. Our research will help you target your product development and your field sales activities, as you guide your company to benefit from the migration of color printing from offset (or the desktop) to digital production color printers.

Corporate Color has been written to meet the information needs of product managers, R & D directors, and marketing executives in the vendor community. *Corporate Color* is Blackstone Research Associates' third self-sponsored survey-based research report examining the dynamics of digital color printing. *Barriers to Color Adoption*, published in 1993 and *Color in the Office*, in 1998, covered the adoption of color by office workers.

Here's What You'll Learn from Corporate Color:

The role of finishing: Learn how relatively low-tech document finishing is holding back the migration of print jobs from offset to digital.

Shifting responsibilities: Observe how the migration of down-and-dirty monochrome production print to the network (or outside) has changed the work mix and responsibilities of the in-house print production team.

Migration from offset to digital color: Learn which technology advances are enabling the move from analog color (process color) to digital color.

Print quality as a selling point: Learn print quality's role as a facilitator of color technology adoption.

Cost is not always the main concern: Learn that, even though everyone needs to save money wherever they can, some in-house production people are more “due-date-driven” than cost-driven.

Find the decision makers: Whose door should you knock on? How to navigate the organizational minefield.

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Helping your customers: Most corporate in-plant print units are vulnerable. Some survive by keeping their heads low, and others survive by being highly visible. Helping them survive will cement your relationship with your big accounts.

Facilities management: How far? Facilities management is seldom all-or-nothing. Understand how customers define the applications and functions they want facilities managers and outsourcers to help with.

Control of the document infrastructure: Learn how different functional areas jockey to control documents.

Respond to resistance to sales: Learn how to anticipate sources of resistance, and respond with meaningful rebuttals.

How to focus your message: Fine-tune your marketing messages to address top customer motivators.

Hear from your prospects:

About **quality**: "[Sales people can dial up and] look at our sales brochures, which are full color, but we don't allow them to print them, because we can't guarantee the quality."

About **outside services**: "They had better not be going outside. That's what the copy centers are for. If you've got a rush job...you'd better make a phone call to the copy center manager and get the time allocated for people to be there overtime. You'd better not be going to Kinko's."

About **MFPs**: "IT is interested, and they see the wisdom of it, but...the timing is never right. Once more, vendors are bidding on copiers alone instead of office document systems. Maybe next time around."

About **e-procurement** of print: "You can procure shelf items over the Internet. A bolt is a bolt. But a printed piece is a custom piece."

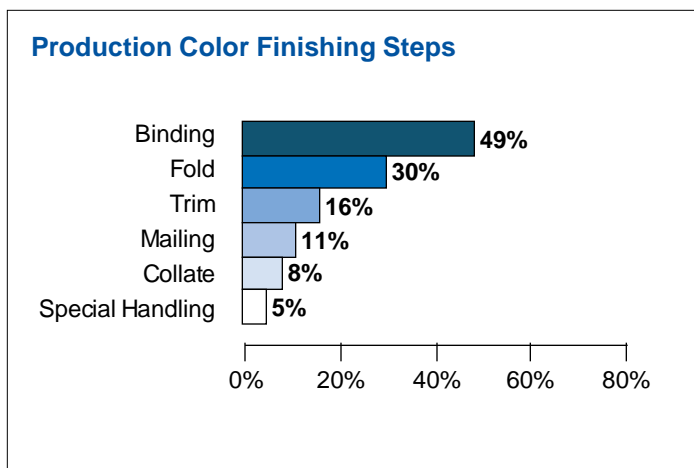
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Methodology: Analysts Hear Accounts First-hand

Blackstone Research Associates conducted structured telephone interviews in three principal functional areas within Fortune 1000-sized organizations:

- In-plant managers (54 interviews);
- People involved in centralized computer printing (35 interviews);
- People in marketing who often prompt or sponsor digital color print jobs (31 interviews).

We do not use outside interviewing services. Since the analysts who wrote the report did the interviews, we deliver the richest possible explanation of customer motivations and technology deployment strategies.



To the extent possible we gained a better understanding of our contact companies by conducting interviews in multiple locations within the company.

Although we conducted structured interviews with individuals in three functional areas (in-plant, computer print, and marketing), on a free-form basis we also interviewed individuals who are influential in guiding their organization's document strategy. These interviews were conducted in-person at end-user sites, as well as over the telephone. We re-contacted selected respondents who demonstrated their command over their organization's document technology philosophy, gleaned additional hard-to-learn motivational insight.

We heard from purchasing managers, too, who helped us understand the process for acquiring commercial print services, and shed light on production printer (and office) technology selection decisions. Purchasing also provided input on outsourcing/facilities management decisions. We also interviewed those responsible for e-procurement, to learn what set of print products are appropriate for a "click-and-order" system.

Your customers, in their own words:

About **brand loyalty**: "For what I am paying for the Canons, I can print with the single Xerox, and have the same productivity. The Xerox is built for production, whereas the Canons are designed for convenience copying."

In-house vs. outside: "Adding color to our operation will add to our headaches."

Research Topics

- Organizational reporting relationships for print-related groups (in-plant, centralized computer print, office systems, office copiers)
- Equipment inventory (monochrome and color digital printers, color copiers, presses in in-plants)
- Print volume growth trends, past and future
- Print volume, job mix on target color printer (fastest)
- Description/characteristics of highest-volume job
- Color printer/copier acquisition plans
- Use of on-demand and distribute-then-print
- Potential role of MFPs
- Use of I:1 (variable-data) marketing
- Migration of color print jobs from analog offset to digital
- Non-print publishing initiatives
- Can printing be ordered on e-procurement systems?

About Blackstone Research Associates

Blackstone Research Associates provides custom market research and strategy consulting services to product managers, strategic planners, and R & D executives in the computer industry. Survey-based primary research supports many assignments.

In addition to conducting proprietary research studies, Blackstone Research publishes industry reports. Topics researched have included color copy quality, color printer and copier cost of ownership, and color peripheral product adoption. Blackstone Research Associates also publishes the *Color Business Report*, a monthly computer industry newsletter.

Pricing and Availability

Corporate Color is available for \$7,500. Contact us for quantity pricing.

Satisfaction is guaranteed.

If you are not completely satisfied, return the report within 30 days for a full refund.

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