Shift to Mobile and Increased Security Requirements Are Changing the Output Landscape in Mid-Sized Companies

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This IDC Tech Spotlight examines the impact that the mobile computing landscape is having on today's workforce. This emerging market development is having a consequential impact on the support and infrastructure acquisition strategies for printers and MFPs, particularly in the mid-sized market (500-999 employees). This is notable in that IDC's research often reveals that this company size segment is a sweet spot for significant revenue-generating opportunities for print.

IDC has observed that this mobility trend is fueling new transitional strategies employed by technology vendors to capture new business. Brother is one vendor making such a move. Their focus on printing solutions that cater to the needs of mobile workers, while also supporting the heightened IT security concerns associated with an increased mobile workforce, represents a timely approach to the mid-market.

Introduction

The ongoing evolution of the computing landscape is shifting to an increasingly mobile platform. Smartphones and tablets are quickly becoming essential computing tools for office workers. The ability to work "anytime, anywhere" is no longer a "nice to have," but is now commonly expected in today's business climate. The broad availability of these devices (IDC calculates there are 260 million smartphones and 180 million tablets currently in use in the U.S.) and the flexibility they have engendered has displaced a considerable amount of work that might have been previously limited to an immobile desktop workstation.

Although mobility enables a new style of work, there are still a number of legacy office workflows that need to be supported in this new computing paradigm. One is the need to create, collect, share, and print paper-based information both inside and outside of the traditional office; supporting these document-based tasks is still an essential part of enabling the mobile worker. In fact, IDC's research shows that the volume of printing via mobile devices is rapidly increasing and represents an emerging application for generating vital business information (see Figure 1).

Within this new mobile print frontier, security becomes even more critical. A recent IDC study highlighted that the majority of mid-sized companies indicate the high level of influence that security features have on print acquisitions (see Figure 2). Key print-specific security features include providing for compliance with company and/or industry policy, ability to track usage by department/user, user authentication, and the ability to address the unique security attributes related to printing of securing output (e.g., printed/copied/faxed documents left unattended in an output bin

can be read by anyone that passes by the device) and several other security measures for printers and MFPs.

Identifying the Critical Mobility and Security Concerns and the Relationship to Printing in the Mid-Market

Mobility and security are two key IT technology enablers faced by all companies in today's market. Organizations need to balance seemingly universal access to company data, while at the same time ensuring that only authorized personnel have access to it. Without adequate safeguards in place, an organization is vulnerable to a variety of threats and will be unable to execute as quickly or as efficiently as demanded by their employees and customers.

With the recent decline in print volumes and the expectation that this printing decline will continue in the future, it is easy to understand how print can be an overlooked piece of an organization's mobile and security IT strategy. However, as one of the technology pieces of the company's computing infrastructure, it is critical that the organization takes the necessary steps to empower its workers (mobility) and protect its data (security) with printing equipment that supports these capabilities to the fullest.

The mid-market organization is particularly intriguing, because of its dual nature. At times, such an organization will operate like a small company (versus an enterprise) and act quickly on decisions. With few layers of approval, it can quickly move forward once a path has been determined. With solutions such as mobility and security, one particular critical need is easy implementation and use. Like many smaller organizations, even a mid-sized company may not have an extensive IT or training staff to support evaluating and implementing this technology. Yet, they will the demands to support multiple users in a typical workgroup setting.

Conversely, mid-sized companies offer considerably more buying opportunities than smaller companies. Mid-sized companies offergreater upside potential for printing equipment sales and supplies as well as related software and services to be used in conjunction with these devices.

This is why IDC has commonly referred to the mid-market as print's sweet spot.

Mobility

The rationale for the increased mobile printing activity is evident in recent IDC survey data. There are three primary reasons why support for mobile printing is becoming an increasingly important characteristics for today's market.

- **The mobile device is now enabled to print.** This usually occurs when one of the following takes place.
  - The user has proactively enabled printing on their mobile device to a mobile-printing supported printer or MFP.
  - The user has discovered the previously unused mobile printing function that connects their mobile device with a mobile-printing supported printer or MFP. This scenario enables the user with a brand new level of functionality.

- **The employee is traveling more often.** This scenario creates more opportunity for mobile printing as the employee's time spent out of the office has increased. This means that supporting printing documents occasionally from mobile devices is necessary.

- **The employee is viewing more content on their mobile device.** In addition to more time being spent out of the office as highlighted in the previous bullet, an increased level of mobile device use can naturally lead to more printing behavior via that frequently used device.

■ **The employee is sharing and collaborating on documents** with co-workers and/or for workflow purposes more than ever.

These reasons speak to enablement. That is, the employee is on-the-go more than ever. As a result, the mobile device is used more often and the desire to print from this device is deemed necessary.

Security

Print security goes hand in hand with mobile printing. As greater accessibility to sensitive company information is enabled through mobility, organizations would be wise to address the need to ensure that such information is only accessible to the proper personnel. The potential for a harmful breach escalates if the appropriate security measures aren't in place to address this wider range of accessibility.

With respect to print security, IDC survey work has revealed the highest rated concerns in mid-sized companies are...

■ **The exposure of documents/information sent to/from the device.** This vulnerability can occur in a number of ways. Prints, copies and faxes could lie idly in an output tray for an undetermined amount of time. This exposure leaves the organization vulnerable that any sensitive information contained in the document is read by an unauthorized individual. This can lead to financial penalties and harm to the organization's reputation. Another area of risk is unprotected scans can be intercepted during or after transmission. Companies would be wise to put measures in place to lessen this exposure.

■ **The ability to identify the culprit of a breach stemming from printer/MFP use.** No security measure is 100% foolproof, but the company should have the ability to quickly recognize the source of a breach from the use of its printing equipment. This capability allows for the organization to rectify the situation, so that any harm to the organization is minimized.

■ **The exposure of device network settings or ports.** Any device on the company's computer network is subject to attack. Printers and MFPs have multiple points of entry (e.g., network connections, fax ports, etc.) that need to be secured.

In these security responses, the fear of the consequences associated from a security breach is strong. In particular, print security tactics and measurements of effectiveness will be of particular interest to document-intensive and regulated industries such as financial, education and health care. Organizations in these industries are particularly vulnerable if institutional-related client information is breached and the organization is not in compliance with industry-mandated standards (e.g., HIPPA, FIRPA). Failure to adhere to these mandates come with significant penalties.

For channel partners (e.g., dealers, resellers, VARs and system integrators) who sell and support customers in these verticals, there is a strong opportunity to cater to the customer's specific mobility and security needs. For customers in these markets, working with a provider that can address their specific mobility and security print requirements is essential.

Benefits of Employing a Mobile and Secure Print Environment

Companies gain a competitive advantage when an appropriate balance of mobility and security are in place. Recent IDC research has uncovered specific benefits to be realized for both as it pertains to printing. Additionally, since requirements could vary widely from organization to organization, a range of mobile and security solutions, including a vendor's own solutions and/or vendor-supported third party solutions may be most appropriate, so that the customer can choose what works best for them.

Top Mobile Printing Benefits

A recent IDC survey revealed the top benefits gained by companies that enable mobile printing and scanning. Not surprisingly, all of these items have positive bottom-line impact in worker productivity and resulting positive response from the customer base. The most often mentioned responses were:

- The speed to review and approve documents

- The speed of processing transactions

- Overall customer satisfaction

- Employee satisfaction

Top Print Security Benefits

Another IDC survey study revealed the top benefits achieved by mid-sized companies as a result of print security policies. These benefits are more protective in nature and are designed help the organization avoid any negative consequences due to company information falling into the wrong hands. Responses most often mentioned were:

- Reducing the risk of a security breach

- Enabling an audit trail of activity

- Gaining efficiencies by more effectively managing print equipment

- Extending organizational security practices to print equipment

Considering Brother International

Brother International is well known for its desktop printers and MFPs that have found strong appeal in the home, home office and small office markets. However, as the company has begun to position itself upmarket with an enhanced channel and product strategy, while maintaining its presence in its traditional SOHO (small office/home office) market. As a result, Brother is investing heavily in several key areas where it believes it can position itself for success in the mid-market space.

To penetrate this segment, Brother has introduced a new series of printers and MFPs that support the unique demands of the mobile computing landscape while addressing the security concerns that complement the needs of this environment. This new line-up offers significantly more robust performance than what Brother has previously offered. At the same time, Brother is appropriately addressing the new work paradigm of "anytime, anyplace" access to business information while also enhancing security.

Brother's new Workhorse series focuses on total cost of ownership; reliability; security and support for a collection of third party horizontal (e.g., managed services, document management) and vertical (e.g., health care, education) solutions. Using Brother's cloud-based BSI technology, VARs, Solution Providers and System Integrators have the ability to adapt and customize BSI-supported devices to support a variety of unique user needs. As part of this new launch, Brother is actively developing and expanding relationships in the channel that cater to this market segment. We are also observing new levels of investment that the company is making with a Think Optimize marketing campaign; TV advertising; new dealer programs and hiring new staff to make its outreach into larger enterprise-level customer accounts a success.

Challenges Faced

Brother is making a variety of organizational moves to better position itself as a technology provider for larger-sized companies. While IDC believes that Brother's move toward selling and supporting the

print environments of larger sized organizations is an appropriate strategic tactic, we do believe that Brother has a few obstacles to face as it takes on this new market strategy.

■ Brother needs to convince and recruit the right channel partners that can successfully penetrate the mid-market customer base target.

■ Brother needs to help channel partners convince the enterprise buyer that a legacy SOHO provider has the technical wherewithal to support larger-sized customers

■ The print market's maturity means that opportunities are largely replacement sales versus placing additional or incremental equipment. This will require Brother to primarily sway both potential channel partners and mid-market customers from their current printer and MFP provider to switch to Brother in order to gain these sales.

■ Brother needs to effectively balance its transition while maintaining a market strength in the legacy business. It can't abandon the SOHO market in order to enter the enterprise market.

Conclusion

It is essential for Brother to make the move to target larger-sized customers to remain market relevant. Its recent Workhorse product launch makes them an intriguing supplier for the mid-market with a robust hardware portfolio and an array of available third-party software solutions. This new and enhanced hardware and software combination is designed to give Brother's mid-market customers the required arsenal of mobile print and print security solutions demanded by today's new "anytime, anywhere" work environment.