

2022 Industry Forecast

Manufacturers look to the year ahead

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The COVID-19 pandemic and its collateral damage will forever be viewed as the cause of unparalleled challenges for many within the office technology industry. Certainly, some of the challenges will continue in 2022, but the new year will arrive with opportunities as well. What will be the greatest opportunities in the year ahead? To find the answers, Office Technology magazine asked 12 MFP and printer manufacturers to share their expectations for 2022. Perhaps the insight shared in this year's industry forecast will help you better position your dealership for continued success.

Each of the contributors was asked to address four questions in essay form. The questions focused on: the primary market and product opportunities, and best strategies for success in the new year; the most significant challenges dealers will face in 2022 and how can they best address them; anticipated changes in demand/needs/expectations for office technology among end users in 2022; and the characteristics of the office technology dealership that is best positioned for success in 2022. Following are their responses.



technology and a balanced deployment of office equipment to ensure secure and efficient workflows amid the new, employee-centric way of work. This approach is called “the low-touch office.”

As end users will continue to be wary of high-contact surfaces, mobile printing and scanning apps that minimize the need to touch the device itself will be essential moving forward. Technology will now need to meet the new demand for low-contact solutions. For example, to reduce contact and protect data, dealers can set up their printers with NFC badge reader technology

so that an employee can simply scan his (or her) ID badge physically or through a mobile app before the machine is authenticated to print or scan a document. These new processes and technologies can also help address security woes.

In a time where many workers are working remotely or in some form of a hybrid arrangement, where working on documents outside of a centralized location is the norm, there is an associated risk of exposure to unauthorized access or dissemination. Print and scan devices have become hubs for document workflow management and can expose organizations to unnecessary risk with their Wi-Fi connectivity and hard drives. In addition, many home devices do not meet the necessary security capabilities from both technology and process standpoints. Dealers must address these potential security challenges in 2021 by ensuring that home devices are more robust, cost-efficient and include features that support business continuity and security in a work-from-anywhere world. After all, devices at home are now an extension of the corporate infrastructure and workflow.

Another demand dealers will continue to face from end users is the adoption of A4 letter lineups as a replacement to the traditionally used A3 ledger devices in channels dominated by copier/MFP-based systems. End users have been printing fewer A3 pages and, amid the increasingly digital environment today, fewer pages in general. Dealers



Brother International Corp. USA

Bob Burnett, Director of B2B
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Every company had to adapt its work model in the face of the COVID-19 pandemic. Switching to a remote-work world involved adopting tools for communication, collaboration and project management. As post-pandemic life continues to adjust, market opportunities will also evolve. Whether employees continue to work from home or in an office setting, more dealers have created solutions that ensure hybrid office environments operate as seamlessly as possible. This means utilizing digital tools including cloud

customers embrace digitization to lay the groundwork for success. It is an investment mindset in the customer journey that goes well beyond the sale.

We know the onset of the COVID-19 pandemic created opportunities to help customers digitally transform faster than expected. And it is clear that things are not going to go back to pre-pandemic conditions; industries are forever changed. Consider the education market. When the

world was under lockdown, on-site printing stopped in K-12 and higher education. This fall, K-12 volumes are up and growing, and higher education volumes are levelling out. Why the disparity? Because higher education discovered different ways to share and receive information during the pandemic that are equally or more effective than what they were doing before, and they are sticking with them. The challenge for dealers now is to understand trends like these — not only by industry, but by microsegments within industries — to build and utilize workflows that make customer processes more efficient.

The same microsegmentation is occurring in health care, as many doctors continue to offer alternatives to traditional in-person care, such as telehealth appointments. This is critical for dealers to know, because while those doctors may no longer require printing systems, they will require data management tools and services to support their remote offerings — once again moving dealers from the position of print providers to information management providers.

Diversity in customer engagement will be increasingly important to connect with customers in new ways. Dealerships and their individual sales reps must become more proficient digital marketers to gain and retain interest, demonstrate expertise, and customize offerings to help customers connect with their buyers in more meaningful ways. Successful dealers will offer a complete end-to-end customer experience, extending support beyond acquisition into the entire digital post-sale experience. Dealers who utilize e-commerce and other digital commerce opportunities to make the customer experience as fast, easy and successful as possible are the ones that win, retain and grow business.

Going forward, dealers should also consider how their customers prefer to utilize their offerings and extend alternative consumption models, such as print-as-a-service or subscription payment models, which offer increased flexibility, build value-added workflow elements into the cost, and are less risky than many current plans.

In terms of challenges, dealers should be prepared to face continued challenges associated with the worldwide supply chain crisis well into 2022. Setting and clearly communicating delivery expectations with customers is the number-one

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thing dealers can do to remain transparent and maintain customer trust. Smart dealers will also prioritize recruiting and retaining team members as the job market continues to fluctuate.

As we look to 2022, there are many positives. There is opportunity to connect and partner with customers in new ways and help with their digital transformations. Continuing to invest in the customer journey and delivering an out-

standing customer experience remains the best place to start.



RISO Inc.

Andre D'Urbano, Executive Director, Sales & Marketing

Since its inception, color printing has been deemed a luxury. It is more expensive than black-and-white output, therefore it has been permanently labeled as cost prohibitive. Controllers, IT managers and every-

day people (in their homes) have put barriers in place that prevent or control all forms of color output. Yet we live in a world where kids are growing up surrounded by color monitors, phones, TVs and tablets. Color imagery is in fact the norm, yet people still have to find ways to avoid the printed version. If this does not spell “opportunity,” nothing does.

Inkjet was created in large part to address the above — to help bring the black-and-white world into the color arena without “breaking the bank.” Its greatest advantage is the ability to generate color output for about the price of black. Over the past five years, production inkjet has evolved from what was largely a roll-fed technology to cut-sheet, high-speed devices with manageable footprints. Today, inkjet has kicked open the door to unrestrained color printing. Print consumers are seeking out this alternative to toner in fast-growing numbers. As a dealer, you have to ask yourself: Are you in a position to offer affordable business color to your customers? If not, you run the risk of seeing your monochrome production MIF replaced by this freight train called production inkjet.

RISO offers the only oil-based ink in the inkjet market. That means a cold, flat and dry image that eliminates the need for a lengthy dryer. Eight feet is all you need and you are printing 9,600 affordable color impressions per hour. Make 2022 the year you reclaim your vanishing meter clicks. Place RISO inkjet units in office mailrooms, in-plants and large commercial print shops and watch millions of clicks find their way back to your service department.

The “meter click” has been somewhat elusive for more than a decade — and next year will bring more of the dreaded erosion.

Make 2022 the year you embrace the conversion of monochrome production print volume to color inkjet. In doing so, you not only increase your monthly clicks, but protect your base of color printers in the field.

Color in the curriculum is no longer a discussion, but a mandate for many school districts. K-7 school-aged students respond better to color and, as such, many districts have made hefty investments just so they can access color for a penny a page. Workbooks, calendars, exams, worksheets, letters, envelopes and forms are transitioning to color at a rapid pace. Are you part of that transition?

Hiring has always been a challenge, but now it is testing our resilience across all industries. More than ever, office technology dealers need to give their salespeople an interesting, innovative story to tell. Affordable high-speed inkjet printing is new, fresh and exciting, and it comes at a time in our history where a sense of “what matters most” has set in. The COVID-19 pandemic has changed the way people are looking at print budgets and production inkjet printers are helping people meet the growing need for affordable color, and providing eager salespeople with a chance to kick open new opportunities with a story that most buyers want to hear.

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in the purchases of the Toshiba laptop business (now called Dynabook) and the NEC display business shows our commitment to the office technology space. Our goal is to surround the office with our technology and help dealers leverage what they already do best — supporting and installing networked products.

During this past year, we have seen more and more of our dealers expanding within their customers by offering

Sharp displays and Dynabook laptops, adding millions of dollars in revenue that helped offset lower print volumes. The ability to offer additional hardware to complement a managed IT business is helping the Sharp dealer community keep competitive MSPs and VARs out of their customers. By offering a broad lineup of complementary products, Sharp dealers can gain entry into new accounts that they can later leverage to obtain print business. We have seen many dealers become exceptionally successful with this strategy.

However, there is a new challenge hanging over the industry, and that is the supply chain. With both a shortage of chips/sensors and a logistics system at overcapacity, there are additional headwinds for the industry. Sharp has been fortunate on the first challenge and we have been able to maintain our production of A3 products by taking several steps to ensure a steady supply. In fact, from July through October, we shipped more A3 products than we did in 2019. We anticipate the overall shortage to continue through at least the first half of 2022 — and maybe longer. There simply is more demand than supply and it will take a while to catch up. The second challenge is one that is outside the control of all of the OEMs, and that is shipping delays and port congestion. This, too, will continue through the first half of 2022, but hopefully the worst part will be over as we move past the holiday season.

So, what can be done? Communicate and diversify. Communication of inventory positions from the OEM to the dealer is critical. We have been very open with our dealers with a two-month, model-by-model “heat map” that can help dealers plan where to focus quotes and new opportunities. On the flip side, dealers need to communicate their forecasts and opportunities with their OEMs to help plan future production. We need to work together with honest and open discussions as to what the situation really is and how we can work through it.

The supply chain issue is also an opportunity, as many of your customers cannot obtain technology products from their traditional suppliers. This is your opportunity to step in. Diversifying your product offering can help you gain new customers or become broader with existing customers. Our Dynabook laptops have also had a steady supply and our



Sharp Imaging and Information Company of America (SIICA)

Mike Marusic, President & CEO

Last year I had the opportunity to participate in the 2021 industry forecast and I opened with: “What a year! I think I speak for everyone with the wish that whatever comes in 2021, we hope it is nothing like 2020.” And then it was a repeat with an added twist! Somehow, we managed to continue with all of the COVID-19 and remote work challenges and layered in supply chain issues. But we are still here!

As we move toward 2022, the resiliency of the dealer community will again be tested, but I have complete confidence in our dealers’ abilities to come through the year stronger than ever. Tomorrow’s office technology dealership will be a true technology provider with the ability to cross multiple hardware and software offerings to solve its customers’ technology needs, and Sharp intends to be central to that offering.

Both dealers and the OEMs have been talking about the need to “diversify” to offset the changes in the print landscape. Sharp is already one of the most diversified companies in this field, but it is the diversification within the office that will set Sharp and our dealers apart. Our investments