

Is the Workgroup Copier Business Model at Risk? The A4 vs. A3 Tipping Point

Report Fast Facts

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About Us

InfoTrends, a Questex Company, is the leading worldwide market research and strategic consulting firm for the digital imaging and document solutions industries. We provide research, analysis, and advice to help clients understand market trends, identify opportunities, and develop strategies to grow their businesses. To learn more about our company, visit www.infotrends.com.

Introduction

This study was designed to help manufacturers and distributors of office copying and printing equipment understand the role and prospect of A4 sized MFPs (multifunctional peripherals) in the U.S. market, particularly in relation to A3-sized copiers and MFPs. More broadly, the study aims to describe the status and outlook of the different business models associated with A3 (capable of 11" x 17") and A4 (capable of 8.5" x 11") output.

The results of this study provide the information necessary to understand:

- The motivations, preferences, and requirements of end-user companies regarding A3 copiers/MFPs and A4 MFPs.
- The reasons that companies of different sizes and in different industries have bought A4 MFPs, are considering them, or have rejected them.
- The uses that current owners of A4 MFPs have for that equipment and the devices and pages that this equipment may be displacing.
- The applications and companies where A3 size copies and prints are still vital and the share of copies and prints that are still produced in that dimension.
- Qualitative insights from interviews with office equipment vendors as well as office equipment dealers and distributors.

As part of this report, InfoTrends also provides a dedicated market estimate and forecast for A4 MFPs in the U.S. from 2006 to 2010, as well as a series of recommendations to clients based on its overall findings about the market for A4 MFPs and A3 copiers and MFPs.

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Methodology

This study is based on a combination of research activities, specifically:

- A structured survey of end-user companies in the U.S.
- Personal interviews with office equipment manufacturers, major vendors, and dealers
- A review of historic market estimates and reports by InfoTrends
- InfoTrends then consolidated and analyzed the study's primary and secondary research and wrote this report.

Structured Survey

In early 2007, InfoTrends developed a structured survey to question end-user companies in the U.S. about their use of A3 copiers and MFPs, A4 MFPs, and other output devices. The survey was offered in draft form for all clients to review; several clients contributed a range of helpful edits and suggestions for which InfoTrends is grateful. The final survey had a total of 68 questions that were designed to directly address most of the project's main objectives. A copy of the actual survey document is provided in the Appendix to this report (provided separately).

InfoTrends then tabulated the results of the survey and cut those tabulations in various ways:

- Company size (1-99 employees, 100-999 employees, 1,000+ employees)
- Level of involvement with equipment purchase (Decision-Maker, Influencer, End-User)
- Industry (healthcare, retail, education, construction, etc.)
- Ownership or non-ownership of A4 MFP
- Company policies regarding equipment ownership and usage

InfoTrends charted the main results from these tabulations, and the resulting Figures are presented throughout this report. The Figures illustrate survey results based on three primary perspectives: by total sample, by company size, and by industry.

An important note on the survey's total sample is that our survey findings are clearly more weighted toward large companies than is true for the actual population of companies in the U.S.; smaller companies dominate the total employment in the United States. InfoTrends has accounted for this difference in the document section devoted to the market estimate and forecast, using U.S. Commerce Department statistics as a guide.

Personal Interviews

InfoTrends conducted 10 interviews with copier dealers and 11 interviews with equipment OEMs or major national vendors like IKON. The interviews with dealers were scripted to address questions about dealers' experiences (or lack thereof) in selling A4 MFPs, the competition they feel from this category of equipment, and other topics relevant to the study's objectives. Interviews with equipment manufacturers and dealers were more varied in their focus; to a large extent, InfoTrends was limited to topics that individual respondents were willing to talk about. The interviews with dealers, OEMs, and major vendors generally lasted for 30 minutes, but some were shorter and some were longer. The range was quite variable for the OEM and vendor interviews, ranging from 15 minutes to roughly 90 minutes.

Review of Market Estimates

The InfoTrends staff members responsible for this report studied existing market information from our company’s continuous information services that are dedicated to the copier and printer markets, in particular the Digital Peripherals Solutions (DPS) service. In fact, the DPS team assisted directly in the development of this study’s market estimate and forecast.

Analysis

The InfoTrends staff members that collaborated to produce this report worked with all the insights gathered in the survey, the interviews, and the market estimate and forecast process. We hope that this report will prove helpful to clients who are active in the market for A3- and A4-sized office printers, copiers, and MFPs.

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