

IDC MarketScape

IDC MarketScape: Worldwide Sustainability Programs and Services Hardcopy 2023 Vendor Assessment

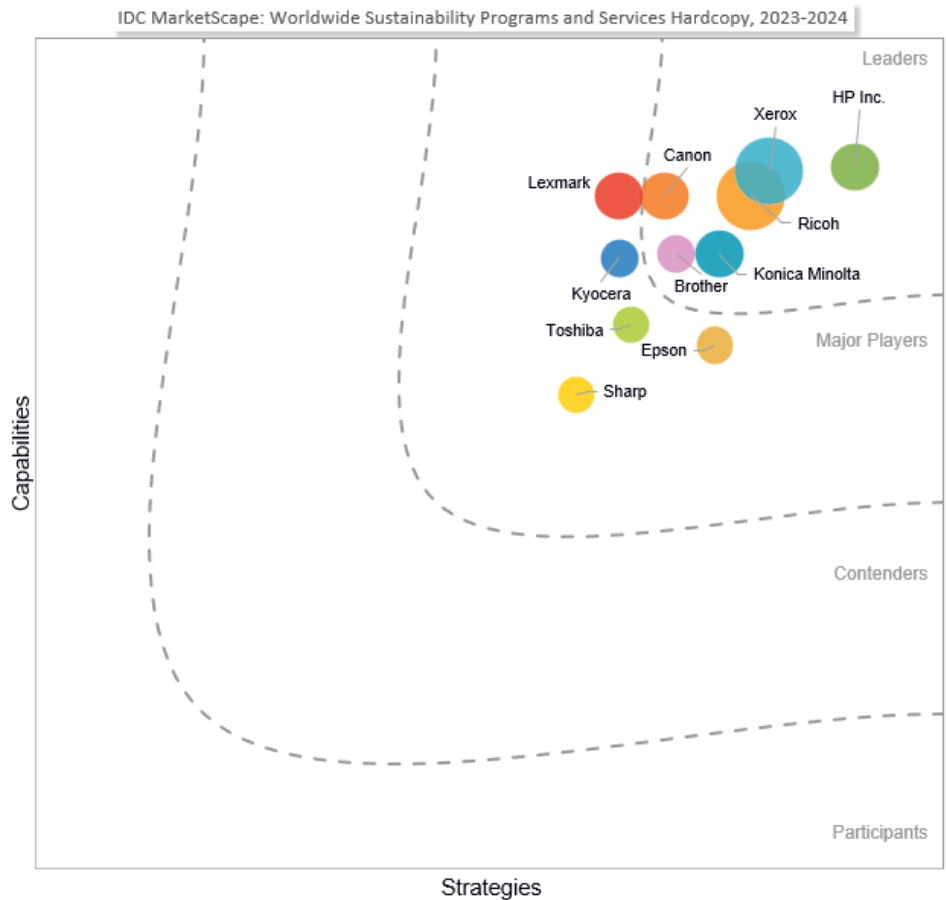
Robert Palmer

THIS IDC MARKETSCAPE EXCERPT FEATURES: BROTHER

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape: Worldwide Sustainability Programs and Services Hardcopy 2023 Vendor Assessment



Source: IDC, 2023

Please see the Appendix for the detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Sustainability Programs and Services Hardcopy 2023 Vendor Assessment (Doc #US49892223e). 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 study assesses sustainability programs and services among select hardcopy vendors through the IDC MarketScape model. This assessment discusses the quantitative and qualitative characteristics that position vendors for success in the office printing market. This IDC MarketScape covers a variety of hardcopy vendors and is based on a comprehensive framework to evaluate key metrics in corporate strategies, business operations, products and business models, and governance/risk/compliance measures offered in the context of sustainability.

In many ways, printing equipment manufacturers are among some of the most progressive companies in any industry when it comes to sustainability strategies and execution. Many of the reasons trace back to the earliest stages of the printing market when equipment manufacturers began to introduce recycling and remanufacturing programs for consumable supplies (toner and ink cartridges). Circularity has been an inherent part of the printing business model for decades. Building on these earlier investments, print equipment manufacturers have continued to advance their sustainability strategies and goals in meaningful ways.

In this assessment, IDC evaluated 11 major hardcopy equipment manufacturers across 22 scored criteria and collected feedback from customers on their experience and perception of the key characteristics, capabilities, and strategies of these vendors. Key findings include:

- The top 3 sustainability initiatives or capabilities that customers looked for from a printing equipment partner included:
 - Product/solutions features that can help the organization drive sustainability throughout its own print and document infrastructure
 - Programs and services for auditing and reporting on the current environmental impact of the printer fleet with ongoing monitoring of comparisons to a future optimized state
 - Key sustainability targets that the vendor identified specifically aimed at reducing climate impact (e.g., planned reduction in emissions and carbon footprint, reducing waste, and green energy programs)
- The top 5 objectives or requirements driving customers to consider the sustainability capabilities and strategies of their printing equipment partners were:
 - Alignment with the organizations' overall corporate sustainability objectives
 - The need to address certain regulatory requirements around sustainability and reducing environmental impact (regulations vary by region but are growing in importance across the globe)

- Consideration for products, programs, and services that can help the business reduce environmental impact while improving overall operations
- A desire to work with suppliers that demonstrate values consistent with their own regarding sustainability and climate-related activities
- An increased need for sustainability monitoring, reporting, and disclosure, through the setting of KPIs and other metrics

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

This research analyzes 11 prominent hardcopy equipment manufacturers with broad hardware, solutions, and services portfolios to address office workgroup/departmental printing environments on a global scale. Excluded from the study were IT outsourcing companies, business process outsourcing (BPO) providers, and software manufacturers that offer print or document-related services or subcontract those services to hardcopy vendors. Indirect channel partners of the hardcopy equipment manufacturers have also been excluded from this study.

ADVICE FOR TECHNOLOGY BUYERS

Sustainability has become a top-of-mind issue for businesses all over the world and is inherently tied to digital transformation. Sustainability can no longer be regarded as a "trade-off with returns" because it is integral to the business risk and opportunity posture. Sustainability factors are a crucial part of business and IT strategy, as they can impact business value, talent attraction, and customer retention. Companies are looking to partner with suppliers that demonstrate consistent values when it comes to sustainability and making the world a better place.

Further, organizations are striving to develop clear road maps and the required metrics and skills to achieve their own sustainability goals. Increasingly, organizations are turning to their print services providers for help. In fact, IDC's most recent MPS benchmark survey shows that 77% of organizations identify "meeting environmental goals" as either important or very important when considering factors for moving to managed print services (MPS).

For organizations looking to address crucial challenges associated with sustainability, print OEMs bring a wealth of experience and technology to the table. It is important to understand how these vendors are looking to drive sustainability features into their products and throughout their own operations and business models. Companies should evaluate vendors based on their ability to meet ongoing needs across multiple vectors within the context of the vision for the office of the future.

Accordingly, technology buyers should do the following:

- **Evaluate vendors based on their own corporate sustainability objectives:** Identify the vendor's near- and short-term sustainability targets and evaluate progress made toward those objectives. Place emphasis on those areas that demonstrate material societal value, such as reducing carbon emissions, conserving biodiversity, and promoting a circular economy.
- **Recognize the importance of product features and capabilities:** Consider all print and nonprint-related hardware portfolios. Look to identify key benefits that might drive financial and societal value from specific sustainability features/capabilities.
- **Understand the services that vendors offer to complement their hardware offerings:** Many vendors offer consulting services specifically designed to help customers reduce climate

impact associated with printing. Services could include both professional and managed consulting services combined with a tech-enabled solution for achieving, monitoring, measuring, capturing data of, and reporting on specific sustainability initiatives.

- **Consider the vendors' managed print services offerings:** There are many aspects of MPS that can have a positive impact on the environment. Consolidating print devices alone can result in dramatic reductions in energy consumption, waste, and carbon emissions. For many organizations, simply moving to long-life supplies can significantly reduce materials waste. And of course, reducing paper consumption can have a positive impact on the environment while also serving as one of the most effective means for lowering print costs.
- **Conduct an internal sustainability audit:** Many print vendors offer tools and services that users can leverage to measure key sustainability metrics within the existing print environment. These assessments can help companies drive optimization in the existing print fleet while establishing long-term sustainability targets and measuring progress over time.
- **Seek out vendors that offer reforestation services and carbon offsetting programs:** Print is often viewed as having a negative impact on the environment due to the number of trees that are consumed from printed pages. Nevertheless, trees are one of the most renewable resources on the planet. Many vendors offer programs that allow for the planting of trees to offset the paper consumed for printing. In most cases, companies can integrate these programs into back-end systems to automate the process.
- **Partner with vendors that can take a holistic approach to sustainability needs:** Organizations are waging a constant battle between the need to reduce environmental impact and the need to work more effectively and efficiently. Print service providers should work with customers to establish programs to meet multiple objectives: improved efficiency, greater productivity, reduced environmental impact, and financial benefits.

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.

Brother

Brother is positioned in the Leaders category in this 2023-2024 IDC MarketScape for the worldwide sustainability programs and services hardcopy market.

Brother International Corp. is a wholly owned subsidiary of Brother Industries Ltd. located in Nagoya Japan. Brother Industries was formed in 1908.

Quick facts about Brother include:

- **Employees:** 41,653
- **Global market coverage:** Operates in more than 100 countries in North America, Europe, Asia/Pacific (APAC), and the Middle East/Africa
- **Top industry focus:** Focuses on education, government, healthcare, and retail verticals but sells to other markets
- **Ideal customer size:** Small businesses to the midmarket, with some enterprise accounts (The company's stated sweet spot for its B2B solutions is organizations of 250+ employees.)

- **Distribution:** Brother partners with various commercial channels (e.g., IT VARs, resellers, office equipment dealers) and retail partners for sales of its printing products.
- **Services/solutions evaluated:** Sustainability programs and services
- **Delivery models evaluated:** Scope and focus include key metrics looking at business services, corporate strategies, business operations, products and business models, and governance/risk/compliance measures offered in the context of sustainability.
- **Key differentiator:** Brother has strong brand recognition among consumers and small business customers, with products and solutions designed specifically to address the SMB segment. Brother does not typically sell printing products directly. Brother works with a broad network of retail and commercial channel partners for the distribution of products and solutions.
- **Key sustainability targets identified:** Brother has set an ambitious target to reduce its carbon emissions by 65% by 2030 with the ultimate goal of becoming carbon neutral by 2050.

Strengths

- **Environmental Vision 2050:** Brother's approach to sustainability is rooted in its Environmental Vision 2050 plan. This vision outlines an aggressive plan to minimize the environmental impact of its business operations on the ecosystem and promote activities to restore and conserve the ecosystem beyond that impact. Brother's approach is built around three main pillars: promotion of resource circularity, reduction of CO2 emissions, and biodiversity conservation activities.
- **Collaborative approach:** Brother takes a collaborative approach to sustainability by working closely with partners and customers to construct what it calls a "sustainability culture." Brother believes that it can only achieve its sustainability targets by helping customers and partners achieve their own sustainability objectives.
- **Sustainability by design:** Brother's vision is to achieve 100% circular economy for its products and services. To achieve that goal, Brother will focus on three key areas: expanding workstyle innovations in its products and services; advancements in circular business operations; and developing a circular model for optimized products. Brother notes that its products are designed and built specifically to be remanufactured. Future efforts will include producing lighter and smaller components for toner cartridges and printers/MFPs designed for remanufacturing.
- **Zero waste to landfill:** Brother achieved zero waste to landfill accreditation for its toner recycling programs 10 years ago, and it has achieved that status every year since. Through its closed-loop recycling process, Brother can remanufacture or recycle 100% of all returned toner cartridges. Plastics used in its printer cartridges do not contain persistent organic pollutants (POPs), which means cartridges can be recycled multiple times. Brother continues to make steady and important advancements to its toner recycling/remanufacturing capabilities. The company notes that its European recycling process is 100% carbon neutral, with recycling plants located in Slovakia and the United Kingdom having achieved carbon neutral status.

Challenges

- **Solutions portfolio:** Brother's portfolio of print/document software solutions is limited, primarily because its products are not intended for certain departmental or workgroup applications where solutions integration is more likely required.
- **Professional and managed services:** With no direct global services delivery platform, Brother has a limited range in terms of providing managed and professional services (e.g., direct MPS, IT services, workflow services). Instead, Brother relies on channel partners to provide these

types of services in conjunction with its product offerings. This approach works well in the SMB sector, but many larger enterprise customers look to work directly with manufacturers for global print services programs.

Consider Brother When

Brother is a strong contender for those SMBs looking for printing devices that can deliver on the full range of key sustainability attributes. Brother's products can help customers reduce their environmental impact through a broad range of eco-friendly product features. Moreover, Brother's printing products meet all the elements outlined in IDC's criteria for essential capabilities related to sustainability. Brother should also be on the short list of vendors when looking for a supplier that is investing to drive sustainability throughout its own operations, including a keen focus on biodiversity conservation activities.

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 managed print and document services market.

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

For the purposes of this study, sustainability programs and services include elements related to corporate and strategy issues, which are instrumental in defining an organization's ESG strategy and goals and designing and implementing structures, processes, and technologies that help the organization reach its goals.

Along with addressing corporate strategic initiatives, IDC will assess the vendor's products, solutions, and services to evaluate features/functions designed to help customers and channel partners achieve measurable results for environmental sustainability. Products and solutions will include all print and nonprint-related portfolios from individual hardcopy OEMs. Services could include both professional and managed consulting services combined with a tech-enabled solution for achieving, monitoring, measuring, capturing data, and reporting on sustainability initiatives.

Evaluation addresses sustainability issues across several primary segments:

- Corporate strategies
- Business services
- Business operations
- Products and business model
- Governance/risk/compliance measures
- IDC taxonomy

For more in-depth definition of the market, see *IDC's Worldwide Environmental, Social, and Governance Business Services Taxonomy, 2023* (IDC #US50035421, January 2023).

LEARN MORE

Related Research

- *IDC FutureScope: Worldwide Imaging, Printing, and Document Solutions 2024 Predictions* (IDC #US51283923, October 2023)
- *Print Security Business Priorities* (IDC #US50781224, September 2023)
- *Market Analysis Perspective: Worldwide Next-Gen Document Services, 2023* (IDC #US50129623, September 2023)
- *Worldwide and U.S. Managed Print and Document Services and Basic Print Services Market Shares, 2022: SMB Growth Helps Sustain Overall Market* (IDC #US50129823, July 2023)
- *Worldwide and U.S. Managed Print and Document Services and Basic Print Services Forecast, 2023-2027* (IDC #US50129723, July 2023)
- *IDC MarketScape Criteria: Worldwide Sustainability Programs and Services Hardcopy 2023 Vendor Assessment* (IDC #US50240023, May 2023)

Synopsis

This IDC study assesses sustainability programs and services among the most prominent global hardcopy vendors and identifies their strengths and challenges. This assessment discusses both quantitative and qualitative characteristics that position vendors for success in this important market. This IDC study is based on a comprehensive framework to evaluate sustainability measures as part of the vendor's corporate strategy, business operations, products, and services.

"Sustainability has become a top motivating factor for businesses considering the adoption of print-related services," says Robert Palmer, research VP for IDC's Imaging, Printing, and Document Solutions group. "Companies want to work with print services providers that share their values when it comes to mitigating environmental impact. At the same time, businesses are looking to deploy technologies and services to help advance their own sustainability goals and objectives."

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. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology, IT benchmarking and sourcing, and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly owned subsidiary of International Data Group (IDG, Inc.).

Global Headquarters

140 Kendrick Street
Building B
Needham, MA 02494
USA
508.872.8200
Twitter: @IDC
blogs.idc.com
www.idc.com

Copyright and Trademark Notice

This IDC research document was published as part of an IDC continuous intelligence service, providing written research, analyst interactions, and web conference and conference event proceedings. Visit www.idc.com to learn more about IDC subscription and consulting services. To view a list of IDC offices worldwide, visit www.idc.com/about/worldwideoffices. Please contact IDC report sales at +1.508.988.7988 or www.idc.com/?modal=contact_repsales for information on applying the price of this document toward the purchase of an IDC service or for information on additional copies or web rights.

Copyright 2023 IDC. Reproduction is forbidden unless authorized. All rights reserved.

