

# ***Penetrating the Printer Space***

**By: Steven Power**

Now that most traditional copier sales channels have successfully made the transition from selling stand alone copiers to MFPs connected to networks, the next target on the horizon has become obvious. On top of the list of sales objectives for most document technology organizations is the mandate to penetrate the “printer space.”

As many sales executives and salespeople face the challenge of penetrating the printer space, many privately admit a defeatist’s attitude. Many will cite HP’s eighty-six percent market share and nearly one-hundred percent mindshare in IT. Add to that the perception that printers are sold as a commodity with little gross profit and the lack of compelling compensation programs and it’s no surprise that most top managers, sales managers and salespeople defer to the most obvious excuse, “There’s no money in printers.”

## ***“There’s no money in printers”***

I agree there’s no money in printers *if* you’re selling low-end printers in the purchasing department. That being said, I have clients making handsome profits selling high-end print solutions in finance, marketing, legal, and accounting departments where the printer is an element of an overall greater solution. I believe that one must approach the printer space with the strategy of identifying applications in a niche or vertical market where they can harness the print device with middleware solutions enabling the seller to add value to the box and enjoy greater profit margins.

For example, I visited my local car dealership for service where after answering a few questions, the service writer printed out a single page that contained all the pertinent information. I inquired what had happened to the five part form from which I normally received my copy of an estimate and was told that the dealership had converted to a more cost effective “digital process” for sharing information with the service bay over the network and printing just one copy of the service estimate for the customer. The e-form, variable data solution was provided by a printer manufacture that had placed thousands of the middleware enabled devices nationwide. It’s obvious that the automobile manufacture did not just buy a printer. The printer was and element of a greater solution.

In consulting clients in their endeavor to penetrate the printer space, I offer this proven four step strategy:

1. Get in in IT
2. Create a “Pilot Project”
3. Get on the “Standards List”
4. Scale and “phase in” solutions over time

1. **Get in in IT** – It’s obvious that selling printers in purchasing and expecting to hold profits is pure hallucination. Purchasing agents are focused on product (commodity) and price and generally are asked to negotiate pricing *after* IT has authorized which print devices are acceptable. Sellers must bypass purchasing and go directly to IT to create value added selling opportunities within the IT evaluation and authorization protocol.

### ***Getting in in IT*** ***What We Know About IT Decision Makers***

One thing we know about IT decision makers and influencers is that they love the Internet. The Internet is IT’s preferred medium for accessing information and communicating. I suggest sellers obtain the IT decision maker’s e-mail address and begin by requesting permission to “provide decision support information” that will equip them to be better informed decision makers. Once allowed to provide such information, the point here is *not* to provide promotional marketing brochures but to educate the IT buyer.

Elements of the information campaign should include informative case studies where the seller's marquee references had a problem in a specific application and the seller provided an innovative solution that delivered quantified results in increased productivity and reduced cost.

There are multiple white papers available from organizations including Gartner Group, DocuTrends, and DocuVision International which address the topics of "Right Sizing" printer fleets, understanding the total cost of ownership related to printing and leveraging MFP technology. IT decision makers respond more positively to objective, third party research, test results and product reviews than elaborate marketing brochures.

Any information based communication with IT decision makers should include a call to action to take the next step. Always close the e-mail with an offer to "pilot and evaluation in IT".

### ***Other things we know about IT Buyers***

The problem with selling in IT, is selling in IT. IT decision makers typically repel sales presentations and sales techniques. In short, IT decision makers don't like to be sold. Another challenge in selling in IT is based on the assumption that IT buyers like to buy new technology while in fact, IT buyers don't like to *buy* new technology, they like to *try* new technology.

IT decision makers view the IT department as a technology test bed for the organization. Their mission is to explore options to determine if the new technology will deliver value to the organization. If, in the process of testing new stuff, they discover innovative and cost effective solutions, the implementation of which can make them a hero, the process brings value to the IT department.

Another thing we know about IT buyers is that they prefer evolutions to revolutions. In evaluating new technology, they don't want to test it in workgroups. IT doesn't want to disrupt workgroups or get end-users excited about technology they may not in fact deliver. They prefer to take things slow testing new technology in a controlled environment, the IT department. That takes us to the next step.

2. **Create a Proof of Concept Pilot Project** – Just because you're in IT doesn't mean the selling can begin just yet. If you're going to sell high-end printers with middleware applications profitability, you're going to need to prove your solution (concept) first. For example, if you have a variable data print solution, the concept may be, that the print device and middleware will allow on-demand monochrome and color printing at a fraction of the cost of traditional printing and allow the marketing department to fully customize sale brochures that result in increased response rates.

When developing a proof of concept it is critical to pick a department that has the applications, print volumes, existing budgets etc. that fit your solutions like a glove. You should also consider current operating cost and user contentions that will help better position and cost justify your solution. Next, based on this knowledge you can create performance expectations your solution will deliver. Performance expectations include projected increases in productivity, reduction in operating cost and removal of user contentions. Your "pilot project" should prove that the performance expectations are achievable and pave the way for the placement of the solution in the targeted department.

The next step requires an investment of time and resources which some dealers will not make. Those who know what it takes to sell in IT, will simply install a fully configured technology solution (printer & middleware) *in the IT department* for a short evaluation period and at the end of that evaluation measure the results delivered by the solution and compare those results with the prospect's current methods and the performance expectations.

The evaluation findings are then packaged into a *proof of concept report*. This report is the internal case study and the sales proposal. The pilot project is in fact a sale based on proof of concept and validation of ROI. The pilot solution is then transferred to the designated department and becomes an internal reference and stages the next step.

**3. Get on the standards list** – Typically, no technology gets sold in IT or placed on the network before IT blesses it by placing it on the “Standards List.” The standards list is a menu of IT tested and IT authorized technology. Printer technology is typically selected and placed on the standards list based on criteria including; applications, duty cycles (volumes), cost and category. Categories include desktop, workgroup, networked, production, color and special applications (large format, variable data printing. e-forms). Getting on the standards list means when a department manager calls IT or purchasing and says, “We need a printer that \_\_\_\_\_ . IT then says to the department manager, “Go to the standards list and pick one off the technology menu of approved printers that meet your requirements.” This sets up your next step.

**4. Scale and phase in solutions over time.** - You’re in IT, you’ve proven your solutions deliver benefits, you’ve validated ROI, you’re on the standards list, and you even have an internal reference. *Now* you can start selling deep and wide in the organization.

IT loves the following phrase, “Scale and phase in enterprise wide.” Your next step is to collaborate with IT to identify the next few departments, divisions and locations for “Phase one implementation”. Here’s where you identify additional departments with similar applications for your proof of concept. If you’ve placed a variable printing solution in marketing, you may find other variable data print applications in accounting for printing invoices or statements. After you gain traction in IT, start to look for new opportunities to pilot and provide proof of concept for MFPs, color or document management and e-form solutions.

Even with all your momentum, don't short cut the process. You must be diligent in assessing each potential department's applications, volumes, operating costs and user contentions and create performance expectations, which in fact is your proposal for each new solution implementation.

Next, simply replicate the process on an ongoing basis linked together with effective account reviews.

Conclusion – It's obvious the process for penetrating the printer space is simple but not easy. Some clichés apply.

1. It's a marathon, not a 100 yard dash.
2. Reputations are earned, not bought.
3. Relationships take face time.
4. Pick your battles. (Stay away from purchasing.)

By understanding IT protocol, investing time and effort to identify value added selling opportunities, proving your proposal in advance and building a reputation as a solution provider you can transcend commodity status, bypass purchasing and dispel the myth, "There's no money in printers."