MARKET PERSPECTIVE

Ricoh Unveils Its Next-Generation Services Platform with Managed Print as a Service

Robert Palmer

EXECUTIVE SNAPSHOT

FIGURE 1

Executive Snapshot: Ricoh Unveils Its Next-Generation Services Platform with Managed Print as a Service

This IDC Market Perspective provides details regarding Ricoh’s latest print services offering called managed print as a service (MPaaS). Built on the foundation of Ricoh’s Print Platform Cloud Service (PPCS) platform, Ricoh’s new MPaaS offering is based on a cloud-first architecture that provides customers with a standardized model for a fully integrated range of services, including print and print management, content, and IT services.

Key Takeaways

• Ricoh continues to improve the functionality, delivery, and overall value of its various print and document services through a cloud-first strategy designed to enable a broad range of subscription-based services model.

• With its new MPaaS platform, Ricoh is looking to help organizations reduce or eliminate print infrastructure while moving to a business intelligence platform for optimizing document processes and managing both digital and physical assets.

• Moving to the MPaaS model provides several benefits for Ricoh, most of which result from gaining more control over the customization requirements typically associated with each MPS deal.

Recommended Actions

• Hardware vendors should continue to deploy cloud-based print services offerings as a means for helping customers reduce costs and drive improvements in scalability, security, and process optimization.

• Businesses are looking to offload the acquisition and management of existing print infrastructure, including print servers, by leveraging technologies such as IoT and analytics to drive better business performance.

• Enterprise customers already invested in MPS hope to gain more from their print services engagements. Consider migrating toward outcome-based business models focused in areas around user experience and digital transformation.

Source: IDC, 2020
NEW MARKET DEVELOPMENTS AND DYNAMICS

Over the past couple of years, Ricoh has worked steadily to improve the functionality, delivery, and overall value of its various print and document services. Much of this effort is focused on a cloud-first strategy, with specific investments in key technologies such as IoT, analytics, and cloud-based infrastructure to simplify service delivery and expand market reach.

In 2017, Ricoh introduced its Print Platform Cloud Service (PPCS), providing a services architecture for extending print management services down market by enabling a flexible, per-user subscription-based consumption model. Delivered as a managed cloud service, customers could implement tailored programs more quickly, with the added flexibility to modify contracts and specific SLAs based on evolving business needs. Now, Ricoh is rolling out what it calls the next evolution in managed print services, bringing about a new MPS model built around a standardized set of solutions and services. Expanding on the foundation of its PPCS platform, Ricoh's new managed print-as-a-service (MPaaS) offering is based on a cloud-first architecture that provides customers with a standardized model for a fully integrated range of services, including print and print management, content, and IT services.

Customer feedback obtained from the deployment of PPCS helped guide Ricoh with the changes, additions, and improvements that ultimately led to the MPaaS platform, which Ricoh refers to as a "comprehensive management system." Ricoh notes that customers have demonstrated a preference for moving to a user-based, pay-as-you-go model for print services. At the same time, the cloud-based architecture provides for increased scalability and flexibility needed to create an "evergreen" approach that is fully managed yet can be tailored to support evolving needs. This is consistent with IDC's own research: the need to reduce capital expenses and minimize resources dedicated to the print environment is matched by a strong desire to drive better business outcomes through analytics and digital transformation (DX).

With its cloud-based approach, Ricoh can help organizations reduce or eliminate print infrastructure while moving to a business intelligence platform for optimizing document processes and managing both digital and physical assets. According to Chris Hamilton, director of MPS Strategy Delivery for Ricoh USA, the ability to standardize implementation and service delivery is the most significant part of the value proposition of MPaaS. Hamilton says virtually every MPS engagement today requires some level of customization in areas such as technology deployment, delivery, and pricing. With its MPaaS platform, Ricoh provides a standardized out-of-the-box solution within an ecosystem that can evolve more easily. For the customer, this means faster implementation times and lower costs. For Ricoh, this is an entirely new service delivery model that will improve efficiencies and drive increased margin for its MPS business.

Customer Benefits

Ricoh's MPaaS platform addresses many of the major trends facing most businesses today, not the least of which is the desire to reduce IT infrastructure by moving to the cloud. Of course, the cloud raises its own security concerns, but Ricoh stresses the benefits of managing security within the confines of a closed-loop system that is monitored and managed by Ricoh. In this way, Ricoh can help organizations improve print and document security through remote configuration and installation, automated firmware updates, patch management, and systemwide monitoring against corporate policies and regulatory compliance.
Ricoh’s MPaaS platform is made up of multiple print services grouped into two main categories, Physical Print Services and Digital Print Services. Physical Print Services involves anything that might require onsite personnel, such as supplies management, device deployment, and physical device management. Digital Print Services involves traditional remote print and device management capabilities, destination scan/route services, and digital device management.

Underneath this broad portfolio of services is a range of cross-functional capabilities, such as assessments and advisory services, integration services, portal, environmental, interface, analytics, and mobility. Ricoh then provides a range of standardized delivery services around implementation, security and identity management, support, administration and management, monitoring and alerting, and customer success experience. With its modularized structure, customers can select and deploy from the broader portfolio of services, with the ability to add or drop as needs evolve. This modularized approach combined with the standardized set of delivery and pricing options is really the key value proposition of Ricoh’s MPaaS architecture.

Another key benefit is the ability to focus on issues such as user experience, digitization, and process optimization and automation. Many enterprise customers are on their third- or fourth-generation MPS contract, and there are fewer opportunities to take costs out of the print environment. As a result, these customers continue to look for ways to gain better value from their MPS engagement by looking beyond print optimization and focusing in areas that will help drive digital transformation strategies.

Data analytics is a key component of Ricoh’s MPaaS offering. The ability to capture and analyze data has always been a key component of any managed print service, but there are often different requirements and toolsets when it comes to data analytics for print assessments, print management, workflow, and so forth. With a standardized solutions and services stack that is fueled by a core analytics engine, Ricoh can integrate and cross-pollinate services in a unique way. As a result, customers can add modules more quickly and cost effectively by minimizing the investments required in multiple analytics platforms. With a single analytics platform, Ricoh can standardize data collection, summarization, analysis, and forecasting to drive process efficiencies and improve business decisions.

Ricoh is looking to take a vendor-agnostic approach with MPaaS, with the ability to support both branded and non-Ricoh devices. Most vendors these days talk about the importance of supporting third-party hardware, which is a little different from the earlier days when “rip and replace” was the normal strategy. According to Hamilton, this is consistent with customer trends around IT outsourcing, where demand is not necessarily for device as a service but more around infrastructure as a service.

Ricoh’s MPaaS can be deployed either on-premises, through a public or private cloud, or in a hybrid cloud environment. This means customers can determine how and when they want to configure based upon their own needs and cloud deployment strategies.

**Benefits to Ricoh**

For Ricoh, moving to the MPaaS model provides several benefits, most of which result from gaining more control over the customization requirements typically associated with each MPS deal. Essentially, Ricoh now has a platform that can be used to replicate and scale services across a variety of customer environments, with standardized costs and pricing, delivery processes and teams, technology components, and billing procedures.

At the same time, the customer engagement process is improved dramatically with a single pricing model and configuration tool, as well as standardized SLAs and contract language, all of which
reduces time to market and simplifies customer onboarding. Ricoh also benefits from having a solution that is fully tested to ensure platform stability and readiness. Service improvements and technology enhancements can be incorporated as the platform evolves and is fully implemented across the customer base, which is an important part of the value proposition for customers seeking long-term results from technology investments. Last, moving to a subscription-based model will help improve Ricoh's business metrics, providing predictable margin and a monthly recurring revenue stream.

**IDC’S POINT OF VIEW**

Like most hardcopy vendors these days, Ricoh is moving rapidly toward a cloud-first model for its print and document services. Vendors such as Lexmark and Xerox have introduced offerings much like Ricoh's MPaaS platform. In all cases, the value proposition is similar: allow businesses to offload the acquisition and management of existing print infrastructure, including print servers, leveraging technologies such as IoT and analytics to drive better business outcomes. In other words, take full advantage of the benefits afforded by the cloud within the print and document environment.

IDC's research shows that cloud migration and digital workflows continue to rank at the top of those strategic initiatives aimed at digital transformation. For most organizations, however, cloud migration is a journey that is fraught with obstacles along the way. With its modular architecture, Ricoh is helping customers move print infrastructure to the cloud at their own pace. This “controlled customization” approach allows customers to pick and choose from a menu of solutions and services for the initial implementation, with the flexibility to add capabilities as needs evolve.

It is also important to consider the potential impact that the COVID-19 pandemic might have on the market for print services. IDC fully expects to see customers migrate more aggressively to cloud-based tools and infrastructure as a way to further reduce costs and drive more proactive policies for remote monitoring and management. These trends could be further solidified as organizations are forced to create better management and security policies for remote employees and to mitigate longer-term risks associated with the need for onsite service personnel.

Meanwhile, Ricoh can position “managed print as a service” not only as a platform to drive print optimization and, more importantly, as a cloud-based architecture to further enable digital transformation through better document process analytics. At the same time, the MPaaS platform helps provide customers with some assurances that investments in print technology will remain current, relevant, and secure.

**LEARN MORE**

**Related Research**

- Vendor Snapshot 2019: Ricoh on Print Security Solutions and Services (IDC #US45680919, December 2019)
Synopsis

This IDC Market Perspective provides an overview of Ricoh's managed print-as-a-service (MPaaS) offering. Based on a cloud-first architecture, MPaaS provides customers with a standardized services model for a fully integrated range of services, including print and print management, content, and IT services.

"Ricoh continues to strengthen its portfolio of services aimed at optimizing the print and document infrastructure," said Robert Palmer, research vice president, IDC's Imaging, Printing, and Document Solutions group. "With a strategy for moving to a set of standardized services, Ricoh is putting itself in a strong position to lead the market's transition to a fully outsourced, consumption-based model for print."

- *Lexmark Makes Bold Move to Shift the Print Acquisition Model and Launches Cloud Print Infrastructure Offering* (IDC #US45105819, June 2019)
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