

Xerox Invites Dealers to Get Appy





On October 10, at an analyst event in New York City, Xerox introduced a slew of new ConnectKey apps for the VersaLink and AltaLink portfolio that the company introduced last year (see [“Xerox Unveils New ConnectKey Technology, Fleet of VersaLink and AltaLink MFPs, and Growth Strategy”](#)). No new hardware or supplies were announced at the event, which is not surprising given that Xerox essentially refreshed its entire A3 portfolio and much of its A4 portfolio just last year. This event was all about apps, solutions, and services. But Xerox also told a broader story about how apps that support unique business workflows and solve customer pain points have become the key

differentiator in today’s MFP market, enabling Xerox and its dealers to win deals and take away share from the competition.

What’s New?

Xerox has been pushing the application of the MFP hard since 2016, when it rolled out a new ConnectKey controller and software ecosystem (see [“Xerox Improves Its Game with ConnectKey i-Series MFPs and Numerous New Apps”](#)). At that time, Xerox debuted its Xerox App Gallery to allow customers to personalize their MFPs with apps to solve their particular business challenges and announced its Personalized Application Builder (PAB) tools that enabled third parties and channel partners to develop apps for ConnectKey devices. The company expanded further on this app-centered approach in 2017 with its launch of a new, easy-to-use, and attractive ConnectKey user interface and controller system in the AltaLink and VersaLink portfolio (see [“Xerox Unveils New ConnectKey Technology, Fleet of VersaLink and AltaLink MFPs, and Growth Strategy”](#)). The goal, said Bertrand Cerisier, vice president of marketing technology and service offerings for Xerox, was to “to transform the MFP from a printing peripheral to a workplace assistant that can tame untamed, paper-based processes.”

Morphing MFPs into “workplace assistants” via ConnectKey technology is still the goal, and Xerox has some key new apps and solutions that expand



Bertrand Cerisier, vice president of marketing technology and service offerings for Xerox, speaking on October 10



Tracey Koziol, Xerox senior vice president for global offerings

these devices' capabilities to accelerate workplace digitization. As Tracey Koziol, Xerox senior vice president for global offerings, put it, "There's still plenty of printing, but we're focusing on digitizing workflow and making workers more productive."

Ms. Koziol explained, for example, that Xerox made NFC standard on all its devices introduced last year for a reason: so end users can take their phone and tap to authenticate without using a card reader. Now, the firm has improved the walk-up user experience with Single Sign-On so users can just sign on once for access to a variety of cloud services, such as Google Drive, Dropbox, and OneDrive. There is also a new QuickLink App. Ms. Koziol explained the QuickLink app makes it much easier to set up a new user to use a ConnectKey device without IT support. The app sends an email directly from the device containing appropriate links to install, and connects computers or mobile devices with the drivers and configuration settings.

Ms. Koziol also highlighted Xerox's new Fleet Orchestrator technology, which is designed to save IT departments time by making print fleets easier to set up and manage. Terry Antinora, vice president and general manager of mid-products and office solutions for Xerox, told us that what Fleet Orchestrator does is set up one device and all its configuration settings as the "parent." Other devices can then be set up as "children." This enables IT to configure a single device just once and then let the fleet deploy the same settings throughout the fleet. He noted that this technology is available for AltaLink devices only.

Also new and interesting is Configuration Watchdog. This is a security tool that Mr. Antinora explained helps monitor eight specific printer settings, such as having the front USB port activated or deactivated. The MFP will then monitor these settings and if someone tries to change that configuration, the MFP will block that and remediate non-compliant settings. The MFP logs such attempts and then sends email alerts to administrators about the attempted changes.

Another security feature is that Xerox Workplace Solution now can help secure digital content. Ms. Koziol explained that an administrator can put in certain keywords to watch out for, like "Xerox confidential," and the MFP will monitor the content being processed for that specific text. The MFP will then notify and administrator when predefined criteria are met, such as someone trying to get unauthorized access to a file.

Sarah Vollo, global marketing manager of solutions and apps offerings for Xerox, and Mark Boyt, head of solutions and services marketing for Xerox, walked analysts through a demonstration of some of the new apps for ConnectKey devices, emphasizing how these apps



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help make what once were tedious multistep processes, such as filing expense reports, into quick and simple activities using apps. The new apps include Xerox Connect App for Salesforce, which provides access to Salesforce's Customer Relationship Management system from the MFP, and Xerox Connect App for QuickBooks Online, which helps process multiple receipts and turn them into expense reports for approval. Ms. Vollo stated that later in the year Xerox will offer an app similar to the QuickBooks app for Concur users; Concur is a cloud-based expense and travel management software solution used in larger enterprises. Xerox also has a new Xerox Forms Manager App that Ms. Jones described as ideal for busy human resources departments. It simplifies management of multiple forms—they can even be scanned in out of order. The forms are then intelligently routed to the right email addresses using embedded QR codes.

Xerox has introduced a new Xerox Audio Documents App, which securely transforms hardcopy documents into audio files. The goal is to enable busy professionals, business travelers, the visually impaired, and even individuals who process information better via audio to listen to, instead of read, documents. This was the app that Mr. Antinora was most excited about. He said that just like the Xerox Easy Translator app before it, the Xerox Audio Documents App has the potential to be a "great differentiator" for Xerox. He said this app is just a first step for Xerox, and the firm expects it can broaden what it can do in the growing audio market beyond just scanning sheets of paper and converting them to audio files. Mr. Antinora said he expects this will ultimately become "a platform for us to allow our customers to consume digital content via voice."

Xerox not only has a lot of new apps; it has enhanced the Xerox app gallery with e-commerce capability. End users can now browse, download, and purchase apps. Ms. Koziol said that this enables Xerox's app creators to monetize their apps. Xerox, of course, gets a cut of this as well, so it is a revenue opportunity for Xerox, too. The ability to monetize apps should theoretically help spur more app creation.

Xerox has a whole set of new apps designed specifically for the education market. We heard more about these apps from Benjamin Duthu, global sales tools and learning marketing manager for Xerox, and Craig Ephraim, director of workplace applications for Xerox. This set of apps is designed to help educators spend less time on mundane tasks and more time teaching. The Xerox Connect App for Remark Test Grading helps teachers create bubble tests and then correct and grade them and manage reports. There is also a Xerox Connect App for Blackboard. Blackboard is a very popular web application for online teaching and learning. Xerox's app makes it easy for educators to scan key documents and course material and upload them to Blackboard Learn to be shared with students. Xerox and SRC Inc's Gateway Capture to Student Information Systems is designed to make it easier to update student records, such as with attendance information. Xerox also has a fantasticating app for the education market called Xerox Proofreader Service. This allows educators to scan student writing to the cloud where it is checked for grammar, style, spelling, and even plagiarism. The educator gets back reports scoring the writing and letting them know if sentences in the writing have been plagiarized from other sources. The report even includes links to the sources from which the material may have been



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plagiarized. Mr. Antinora said Xerox partnered with WhiteSmoke, which makes grammar checker software, on this app. Also new for the educational market is Xerox’s Instant Print Kiosk and the Printt App. The former is a more modern version of the old-fashioned coin-operated copier, but it accepts student cards, credit or debit cards, and gift cards for payment. The latter is an app that enables cash-strapped students to print for free by placing ads on their mobile device and on the bottom of their document.

Elizabeth Fox, vice president of managed print services for Xerox, introduced analysts to Virtual Print Management Services. This is an interesting adjacent MPS-type offering that helps businesses consolidate the multitude of servers they have related to print to one cloud-based instance. Print jobs that users submit from anywhere, from any device, go to the cloud. The user then authenticates and releases the print job at any printer. Ms. Fox says this service can provide businesses with significant savings—about 30 percent. The service integrates with Xerox’s own ConnectKey devices, of course, but can also support non-Xerox devices.

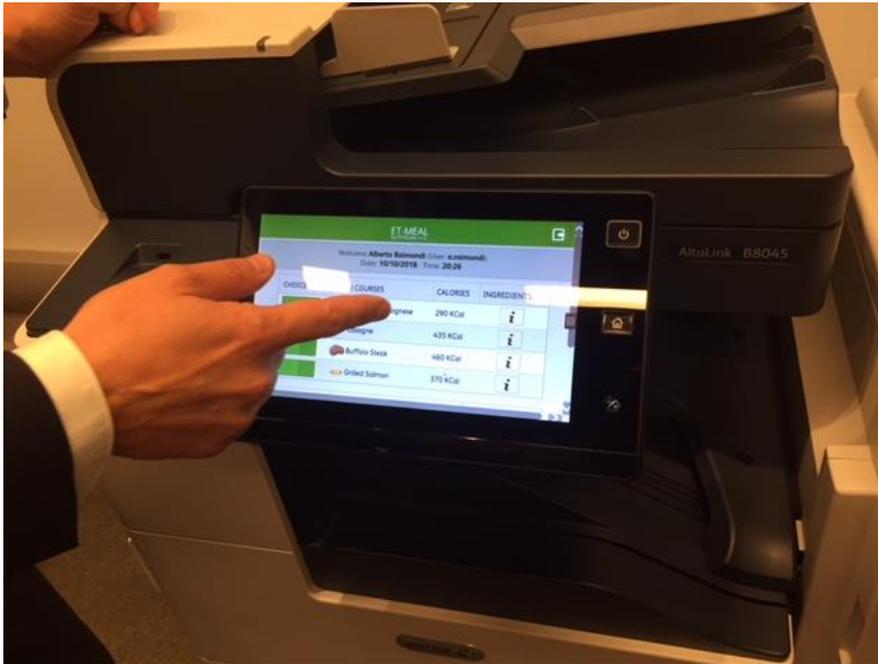
Shout Hallelujah, Come on Get Appy

Peter Munday, global experiential solutions marketing manager for Xerox, told us about a new Xerox initiative to help transform Xerox’s salesforce so that it can sell devices by focusing on apps and solutions. Xerox’s mantra for this—repeated often during the analyst event—is “Find it, Map It, App It.” The problem, said Mr. Munday, is that copier salespeople were traditionally focused on selling boxes, and teaching them to sell differently is a “culture shift.” This impacts customers because unless the salesperson with whom they interact is

knowledgeable about apps and solutions, they remain unaware of the capabilities of Xerox’s “workplace assistants.” Xerox is thus launching a multimillion-dollar training program targeting 100 percent of its salesforce, both direct and indirect. Xerox will begin two-day training sessions in April, and these sessions will continue over the next two years. Xerox will focus on training salespeople on how to identify inefficient business processes, explain their costs, and find the right apps and solutions to simplify that business process.

In some senses, this is nothing new. OEMs have been talking about transitioning salesforces to sell solutions, not boxes, for years now. But Xerox believes this transition is now essential to its business and it is investing millions to ensure it has an educated salesforce.

Xerox had a “Workplace Assistant Panel” in which Xerox partners that develop apps explain how app development helped them win sales and transform their businesses. Xerox has done this type of panel before. Such panels almost always feature Josh Justice from JustTech, who as the founder of the first certified dealer/MPS provider to begin developing apps for the ConnectKey platform has become something of a ConnectKey app evangelist. Mr. Justice confirmed that he is selling more equipment because of apps and has been able to grow his business over the last few years as a result. Mr. Justice said JustTech now has 40,000 apps installed globally and 220 partners that install JustTech’s apps. App revenue accounts for only 8 percent of total company revenue (he mentioned \$1.2 million in licensing fees from apps), but he said that apps have high profit margins. More importantly, they help a firm separate itself when MPS itself has become commoditized.



A look at EtiQube's ET-Meal app

We found the experience of Italian Xerox dealer and MPS provider EtiQube particularly compelling. EtiQube's founder, Alberto Raimondi, told hilarious anecdotes about his company's travails and how EtiQube overcame them. Mr. Raimondi explained that the original focus of his business was selling Xerox's ColorQube line; in fact, his company's name is a nod to the ColorQube. He lived and breathed solid ink, he explained, so much so that he even "slept with sold ink." Then, in 2015, Mr. Raimondi learned that Xerox was killing the ColorQube line (see "[Xerox to Exit A3 Solid Ink Market](#)"). The firm shifted to selling Xerox's toner-based devices but needed a differentiator and found one in apps. Mr. Raimondi has won some big deals in Italy based largely on the apps his company has developed. "I used to sleep with sold ink. Now I sleep with apps," he said. He shared an example of how he "found it, mapped it, and apped it" for one company in Bologna, Italy. Mr. Raimondi visited the company to do an

MPS assessment and when he went to have lunch with the company's employees in the company cafeteria, he was told he couldn't order spaghetti Bolognese or lasagna because he hadn't ordered his meal by 10 a.m. Mr. Raimondi, who said he was served white rice, then learned that employees had to wait in a long queue to enter their lunch order at a kiosk by 10 a.m. each day. EtiQube's solution—and how it ultimately won a contract with the business—was an app called ET-Meal. Spread throughout the facility on a fleet of MFPs, the app enabled employees to order their lunches more easily by swiping a card and then selecting their meal. Ultimately, EtiQube expanded the app to include calorie information and suggestions about activities to burn off those calories.

Apps Are a Real Differentiator

Is a meal-ordering app the key to winning deals in every company? Of course not. But being able to offer the right app for a given customer could be. Xerox's main message at its October 10 event was that apps are indeed becoming real differentiators for MFP sales. As Mr. Cerisier put it, Xerox's "Find It, Map It, App It" sales strategy "all starts with a good pair of eyes and ears," and we think the tale of the meal-ordering app that won an MPS contract demonstrates that.

Mr. Antinora confirmed to us that Xerox is indeed winning new business based on its apps. Today there are 19 apps in the Xerox App Gallery and 50 or so more in the firm's private gallery for partners. That is more than most of Xerox's competition, aside from Konica Minolta, he pointed out. "Let's face it. The box itself has become a commodity," Mr. Antinora said, adding that Xerox has won some big deals just based on demand for its Xerox Easy Translator app.



Mike Feldman, Xerox executive vice president and president of its North America operations, shared some statistics that he said showed Xerox is taking away some market share from its rivals due largely to the strength of its apps and solutions. He said that in Q2 2018 Xerox was the leader in North America in terms of total shipment value share (including laser printers, MFPs, and high-speed inkjet). Xerox's share of total shipment value in North America in Q2 was 23 percent versus 20 percent for

Canon, 16 percent for Konica Minolta, 14 percent for Ricoh, and 9 percent for HP. Meanwhile, Mr. Feldman said Xerox remains the MPS leader in the United States. He claimed Xerox is taking share away from competitors, especially Ricoh but also Canon, while holding rival HP to its "small 2 percent share of the A3 market."

[Read Xerox press release.](#)

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