# Legacy Print Infrastructure is a Major Barrier to Digital Transformation

# Study finds more than half of essential workflow processes require print yet DX projects often overlook moving print infrastructure to the cloud.

LEXINGTON, Ky., Sept. 16, 2020 /<u>PRNewswire</u>/ -- A recent IDC study commissioned by Lexmark finds that dated print infrastructure is an obstacle to digital transformation. Despite three in five enterprises recognizing that lingering print infrastructures are a significant barrier to success, fewer than half are prioritizing investment in this space, hampering the progress of strategic IT initiatives.

The global study, conducted during the Covid-19 pandemic, finds four in five (79%) companies responding are investing in cloud infrastructure as part of their digital transformation initiatives, but 57% say lingering print infrastructure is negatively impacting their cloud migration strategy.

The IDC White Paper sponsored by Lexmark, <u>"Next-Gen Print Infrastructure Services: Leveraging Cloud and IoT to Accelerate Your Digital Transformation Strategy,</u>" follows <u>IDC's Worldwide Digital Transformation Spending</u> <u>Guide</u>, which predicts spending on digital transformation technology and services will grow by 10.4% in 2020 to \$1.3 trillion globally in 2020.

"This research highlights the importance of considering cloud-based print infrastructure as a key strategic IT initiative," said Matt Dollus, Lexmark vice president of Global Marketing and IoT Portfolio. "Established companies in every sector are under pressure to transform into digital-first organizations. With the Covid-19 pandemic exposing gaps and weaknesses in IT infrastructure, many are struggling by failing to take print with them on their digital transformation journey."

#### **Transformation Challenges**

Nearly half of survey respondents report challenges integrating existing IT into new infrastructure and updating or replacing legacy business processes; 60% have seen digital transformation budgets exceeded, and 54% faced delays and prolonged project timelines.

The study demonstrates a profound difference between countries. In the USA, UK and Germany, 67% have integration challenges, compared to just 20% in Brazil. This is likely due to business complexity in the more developed markets.

While print volumes have decreased as some organizations have pursued a digital-first approach to document management, just over half of all essential workflow processes still have significant printing requirements according to the study<sup>1</sup>. As such, organizations will need to provide the ability to print as an essential IT service for the foreseeable future.

#### **The Problem with Print**

Across the board, managing IT infrastructure remains a challenge, with the majority expressing similar concerns when it comes to legacy print including:

- Ensuring the security of print infrastructure and devices (81%)
- The IT burden associated with managing print and print servers (81%)
- Inventory management (81%), alongside a lack of visibility into spending (80%)
- Technology obsolescence and difficulty in updating or replacing legacy print hardware (79%)

#### Finding a Simple Solution

"IDC believes that it is time for organizations to start thinking about print more strategically—to elevate the conversation around print and include it within the broader context of their DX discussions related to cloud migration and document process strategies," said Robert Palmer, Research Vice President, Imaging, Printing, and Document Solutions at IDC Research.

IT leaders appear to be united on a preference for as-a-service consumption models over financing (70% vs. 22%), and a recognition (94% agree) that IoT has the potential to improve printer fleet management.

"IT leaders recognize the benefits of cloud and IoT," Dollus added. "Delivering print as an IoT product-as-aservice will accelerate business agility and simplify IT management and acquisition, while improving the user experience for customers. Cloud print infrastructure as-a-service provides access to a modern and secure print infrastructure that can provide a basis for future digital transformation initiatives."

# Suggested Resources

- Download the full IDC White Paper
- Download the accompanying infographic
- Read a <u>blog post</u> by IDC's Robert Palmer
- Find out more about Lexmark's Cloud Print Infrastructure as a Service

## Additional study information:

- The study was carried out between March and April 2020 with 1,511 web-based surveys conducted across three key regions and seven countries: Canada, USA, Brazil, Mexico, UK, France, Germany.
- <sup>1</sup>Most functional areas still report significant integrated printing requirements; 52% in operations, 52% in supply chain, 49% distribution, 52% sales, 53% finance, 54% marketing and 54% HR.
- While 83% of enterprises are rationalizing their technology infrastructure, only 35% report that their approach is effective.

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