



Research Brief

How Smart Does Your MFP Need to Be?

Abstract: *A smarter multifunction product is only as good as the network and business process it operates in.*

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Recommendations

- Businesses that have workflows that involve paper-intensive input processes as well as scan to e-mail, desktop, file and fax server, and so forth, should pursue smart multifunction products (SMFPs) if software solutions are available for their applications.
- Businesses that are cost-constrained should wait for the selling prices to come down and more solutions to become available.

Strategic Planning Assumption

- SMFPs will meet the needs of fewer than 10 percent of users of multifunction products (MFPs) by the end of 2004 (0.8 probability).

What Makes an MFP So Smart, and Why Does It Matter?

MFPs have helped businesses lower their overall output costs by replacing single-function copiers and printers. Businesses can better manage their output fleets by consolidating redundant copier, printer and fax devices into fewer MFPs.

Copier and printer vendors are going the extra mile in the design and development of SMFPs, which not only copy, print, fax and scan, but also integrate into your enterprise's content and document management systems.

Embedded Web servers, multipurpose and multitasking CPUs, completely open architectures and customizable user interfaces and platforms make the latest SMFPs from top vendors very smart indeed. But why serve filet mignon when a hamburger will do?

SMFPs will permit third-party and end-user customization. The personality of the MFP can be customized to specific applications. The MFP is no longer just a copier, printer, fax, or scanner, but can be transformed into an image-processing and distribution hub complete with embedded Web servers.

The latest MFP software platform from Xerox integrates a multipurpose and multitasking processor. The new controller technology is actually two controllers in one, designed specifically to master concurrent operations. Xerox has also made software development kits available so that software developers can design hooks and application solutions according to industry standards and protocols. Similar SMFPs are available from Canon under its Multifunctional Embedded Application Platform (MEAP) architecture.

Gartner Dataquest believes that SMFPs will serve only a small portion of businesses. Users of MFPs fall into three categories.

The first category is satisfied with an MFP that copies and handles network print jobs with little trouble. These businesses represent 40 percent to 50 percent of the placements.

The second category would be in a typical midsize to large corporate environment that not only copies and prints heavily, but also faxes and occasionally uses the scanning feature. These businesses appreciate better technology but are sensitive to costs and represent about 40 percent of the market.

The third category includes early adopters that have sophisticated document workflow processes and are eager to have a peripheral device that can automate the user interactions. The user is knowledgeable about technology and is typically a convert from the IT division who has been given the responsibility for the procurement of MFPs in the enterprise. Gartner Dataquest estimates that early adopters will represent about 10 percent of all MFP placements.

Smart MFP or Smart Networks or Both?

Both is the best answer. SMFP will integrate with most LANs, WANs and token ring networks and will be compatible with industry-standard protocols. The Internet is the latest vehicle being used to provide anytime-anywhere access to business documents. For example, with a MEAP-enabled SMFP from Canon, users can use the Internet to access documents in databases across the globe. Then, without the use of a computer, they can download and print documents to the SMFP.

Under What Circumstances Should One Consider a Smart MFP?

SMFPs like the ones from Canon and Xerox are appropriate for businesses that want the MFP to play a larger role in the management of documents in their enterprises. As a centralized document distribution and management device, SMFPs will do a good job for users who have centralized control over documents and integrate relatively low levels of storage-type scanning or ad hoc requirements for scan to e-mail. While SMFPs today are able to integrate with e-mail and document management systems, further integration into the back-office systems (enterprise resource planning and customer relationship management) is still in the works. Therefore, users who need to standardize on a single vendor or need to link their e-mail systems with their document systems ought to consider SMFPs.

ROI and Best Practices

The return on investment (ROI) for early adopters is likely to be in the streamlining of document-intensive processes. Successful implementation of SMFPs so far has been in the scanning (scan to e-mail, desktop, file/folder, fax/server and so forth), accounting and cost management spaces.

Key Issue

How will new technologies impact content delivery networks?

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