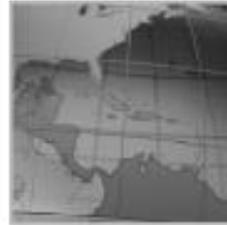


White Paper



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How Web to Print Helps In-Plants Increase Value

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Prepared For:



Table of Contents

Abstract 3

Outsourcing: The Threat to In-Plant Production 4

Motivating Factors for Outsourcing 5

Case Histories 5

 Midwest Insurance and Financial Services Firm - Increases Jobs per Day..... 5

 Retirement Solutions Firm - Overcomes Bottlenecks..... 6

 Blue Valley Schools- Production Automation and Staff Productivity 7

Web to Print Adoption and Growth 8

Issues and Answers 9

Three Critical Success Factors 10

 1. Motivating buy-in. 10

 2. Leaders build better solutions. 10

 3. Leaders invest more. 10

Overcoming the Four Typical Stumbling Blocks 11

 Citrus College Overcomes the Stumbling Blocks 12

The Benefits of Success 13

Summary..... 15

About InfoTrends 16

About the Author 16

List of Figures

Figure 1: Growth in Outsourcing 4

Figure 2: Print Production Software Growth..... 8

Figure 3: What percentage of your business’ total print spend has been/will be ordered over the Internet? 9

Figure 4: How Valuable is Web to print? 13

Figure 5: Has Web to print increased your sales/profitability? 14

Figure 6: How Has Web to print Helped Your Operation?..... 14

Abstract

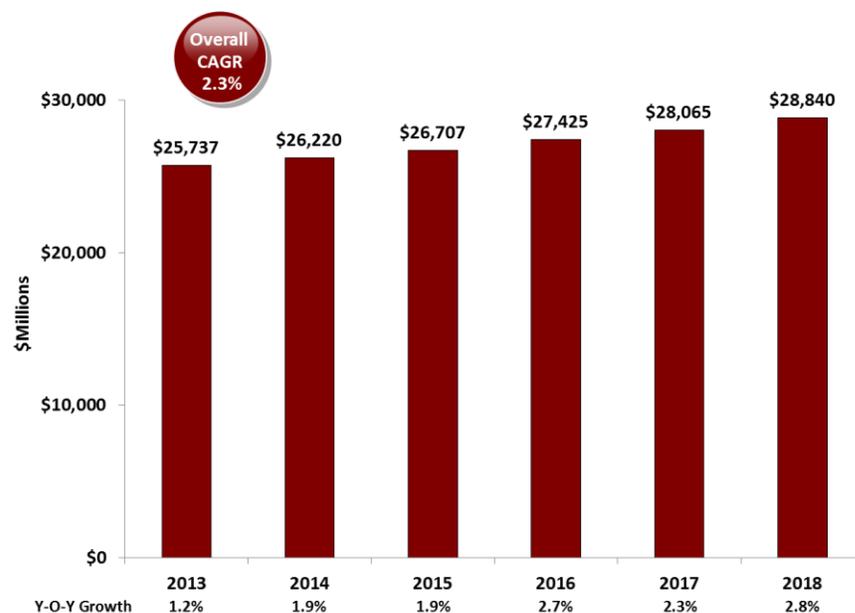
While the threat of outsourcing remains and its continued growth is predicted, the drivers behind this trend provide an opportunity for in-plants to deliver some of the same economic benefits as outsourcing by employing Web to print technology. With only about half of all in-plants using a Web to print solution and InfoTrends' data revealing increasing demand for online ordering rising, there is an imperative for in-plants to acquire and successfully implement a Web to print solution.

This white paper discusses common Web to print issues and illustrates with several leading in-plant case histories how these in-plants exhibit three critical success factors and have overcome four typical stumbling blocks to achieve success. For these leading in-plants, their Web to print solution is a critical part of their business: reducing costs, increasing productivity and creating additional benefits for their parent organizations.

Outsourcing: The Threat to In-Plant Production

According to [Price Waterhouse](#), "The trend towards outsourcing business processes is here to stay. An increasing focus on core competencies as well as the pressure to rationalize and cut costs is forcing industrial and commercial firms to outsource logistics services more and more." This trend is impacting in-plant printers and document services providers. According to the InfoTrends research, *U.S. Document Outsourcing Market Forecast: 2013-2018*, U.S. document outsourcing revenues are expected to grow from \$35.2 billion in 2011 to \$39.8 billion for 2016. The research predicts the growth in outsourcing will continue over the next five years and is projected to grow 2.3% over that period.

Figure 1: Growth in Outsourcing



The InfoTrends report *Roadmap 2014: Document Outsourcing* talks about some of the success stories of companies offering alternative sourcing, such as:

- DST Output will provide services to Charles Schwab for document and direct mail production.
- InnerWorkings developed a print management agreement with Young & Rubicam, a marketing communications company located in Mexico, to provide print, point of sale (POS), and promotional services.
- LogicSource reached an agreement to provide print procurement and management services to BJ's Wholesale Club.
- Broadridge Financial Solutions partnered to enable distribution to Zumbox's Digital Postal Mail service.

Motivating Factors for Outsourcing

InfoTrends defines “document outsourcing” as the creation, design, production, processing, mailing, electronic transmission, and/or fulfillment of any type of printed or electronic document. These products range from marketing materials and direct mail to product documentation, as well as invoices, statements, purchase orders, confirmations, letters, customer-direct communications, policies, and contracts.

The report defines the four motivating factors for outsourcing as:

1. **Cost reduction:** Cost reduction took on renewed importance after the most recent financial crisis and will continue to be a key outsourcing driver.
2. **Focus on core competencies:** Outsourcing non-core functions frees up resources to concentrate on primary business competencies and objectives.
3. **Access to technology:** Outsourcing enables organizations to gain access to current technology without making capital investments.
4. **Declining print volumes:** As the market evolves, so too must in-plants to garner new business.

While all four motivating factors are important, in our experience the one factor considered most important is cost reduction. As a result, *increasing productivity and reducing the costs of manufacturing are two of the most important initiatives for in-plant service providers. Web to print automation technologies can facilitate those changes.*

Case Histories

We will illustrate in the following case histories in-plants who have reaped the benefits of Web to print to successfully reduce costs and increase productivity.

Midwest Insurance and Financial Services Firm - Increases Jobs per Day

A mid-west insurance and financial services firm is an example of an organization that has used Web to print technology to [increase productivity and reduce production](#) costs. John, the in-plant manager, wanted a solution that would automate the organization’s print production process and reduce its manufacturing costs. The company invested in Rochester Software Associates’ (RSA’s) [WebCRD™](#) and [QDirect™](#) to automate the customization of printed pieces and increase the accuracy in routing to different departments.

WebCRD automates ordering, fulfillment, job ticketing, production management, and chargebacks across corporate print centers. QDirect output manager converts print jobs from multiple platforms and programs into the data stream and page description required by different output devices and routes those jobs to the appropriate device.

Jobs that used to take two to three weeks before investing in the automation software are now done in one or two days. The new system allows staff to track job status and identify if a job encounters a problem. As a result of the software, productivity has skyrocketed. The ability to print jobs increased from a few dozen jobs per day to 200 to 300 jobs per day. Time-consuming prepress steps have been eliminated. Submitted jobs used to require five to ten minutes to review before printing, but that step has been reduced.

Retirement Solutions Firm - Overcomes Bottlenecks

Another example of a firm that has used Web to print to reduce costs is a major [retirement solutions firm](#). The assistant director of participant solutions wanted to increase productivity and chose RSA as a partner. The challenges facing the firm included automating the customization and personalization of marketing products, increasing efficiency of the production staff, and eliminating errors that resulted in late deliveries.

Personalization and customization are critical in fulfilling the printing requirements of the firm. Products for different markets and locations require different customization. However, the amount of customization required was becoming an overwhelming task. It could easily take two days each time a piece required customization.

Two other issues reducing efficiency were the way orders were fulfilled and the method used to track jobs and communicate with customers. According to the assistant director, “We used to process everything using e-mails. Customers would e-mail their requests, we would save their e-mails in folders on different people’s computers, and e-mails were used to track the progress of assignments. This became a problem because we did not have a central location for all the work, and e-mails and progress reports could get lost or misplaced.”

The retirement solutions firm changed its workflow with RSA’s WebCRD and the [WebCRD Dynamics™](#) variable data module. The WebCRD Dynamics module allows shops to offer sophisticated yet easy-to-design variable data templates and apply business rules to control how they are populated.

Initially, basic customization was offered as an online solution to customers. They could make simple color and logo changes within the solution. Repetitive tasks such as reordering existing products became a one-click process. Shifting from ordering and job tracking using e-mail to the administrative functions within WebCRD assures orders are not lost and everything from order through to final approval are recorded and tracked.

Errors due to e-mail became a thing of the past. According to the assistant director, “We didn’t lose a lot of jobs before, but every now and then an e-mail would get misfiled or accidentally deleted. For that customer, one mistake is all it takes for a client to lose trust. Since we’ve implemented WebCRD and moved all ordering onto this platform, we haven’t lost a single job. With the click of a button, we can determine the status of any job in the system. That gives everyone inside and outside our department greater confidence.”

The benefits the retirement solutions firm gained in customization efficiency and error reduction quickly became apparent. In 2011, customizing and personalizing each project could require two days of a designer’s time. Utilizing the RSA WebCRD Dynamics [variable data module](#) allowed the firm to reduce the time required from two days to twenty minutes or less. The assistant director estimates first year savings from using WebCRD was \$300,000.

Blue Valley Schools- Production Automation and Staff Productivity

A final example is [Blue Valley school district](#) in Kansas City. Jason Gillian, the assistant director of business operations has proven their in-plant’s ability to increase productivity. An internal evaluation uncovered many issues and opportunities for improvement in their workflow. The goal was to address those issues and provide measurements of success.

One goal was to reduce the amount of time teachers spent in the print room- 20 minutes to an hour a day- and eliminate the additional costs associated with printing on multifunction devices as opposed to production devices.

Gillian realized that his production department had reached its capacity based on the workflow and staff. One of the main bottlenecks was the number of jobs that could be entered and worked on in any given day. Another goal was to automate job submission, reduce the burden of monitoring the print queue, and increase the number of pages printed by the printing staff.

Blue Valley invested in software from RSA to help achieve these objectives. WebCRD allowed teachers to print directly from their computers without spending time in the print room. QDirect output manager eliminated the time required to look at jobs and determine which print device to send them to. The flood control feature of QDirect overcame an issue in overwhelming the print queue for one of their production devices.

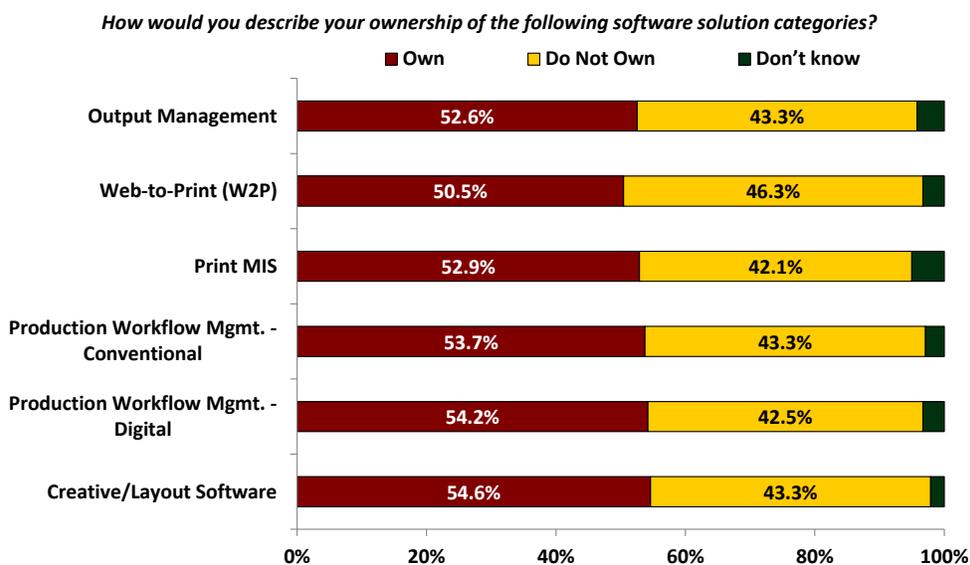
The [result of this investment and software automation](#) was an increase in productivity from 10,000 to 100,000 orders a year. Turnaround time was reduced from 2 to 3 days per order to next day. Most teachers don’t have to spend time in the print room anymore and can spend more time with students. The amount of pages printed on the multifunction devices has shifted from 75% to 40%.

One of the most impressive metrics is that order volume has increased 738% in 5 years—without adding staff. Chargebacks have been reduced by \$100,000. Teachers save almost 50,000 hours a year.

Web to Print Adoption and Growth

According to the 2014 InfoTrends report, *Production Print Services in North America: Understanding Industry Transformation*, over 50% of in-plants surveyed invested in critical workflow software tools, including creative layout, digital and conventional production workflow, print MIS and output management.

Figure 2: Print Production Software Growth

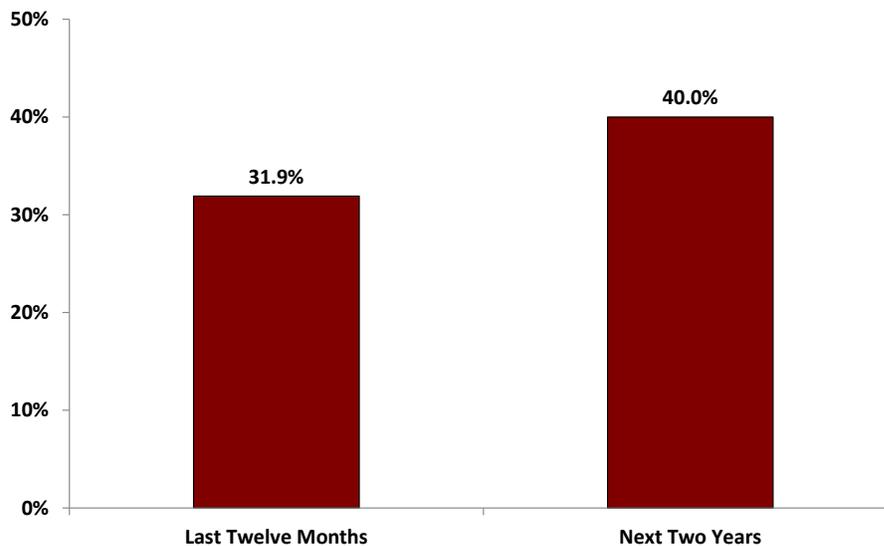


Source: *Production Print Services in North America: Understanding Industry Transformation*, InfoTrends 2014

InfoTrends estimates that 46% of companies have adopted Web to print solutions and forecasts that investment will continue at a healthy pace. InfoTrends forecasts the investment in Web to print solutions in North American to grow from \$143 million in 2011 to \$259 million in 2016, representing a 12.7% compound annual growth rate.

According to InfoTrends’ research, nearly 900 enterprise customers expected Web-based print orders to increase from 31.9% to 40% in 2 years’ time. InfoTrends believes that the share of business ordered via the Internet will continue to grow in the future.

Figure 3: What percentage of your business' total print spend has been/will be ordered over the Internet?



N = 896

Source: *Understanding Vertical Markets: Enterprise Communication Requirements; InfoTrends 2012*

Issues and Answers

Despite the usage and growth, there are reports that not everyone is satisfied with their implementations. In NAPL's (now Epicomm) 2013 research, "Web-to-Print: the Promise, the Potential, and the Reality," more than half of those surveyed said Web to print had increased sales and two thirds said it streamlined their production workflows.

However, 80% reported that it has not met their expectations in terms of client usage and the numbers of features accessed. In the NAPL Workflow Investment Survey 2014, while 150 respondents called Web to print their most worthwhile investment, 40 claimed it was their least worthwhile investment. In other words, about 80% of companies are very successful and 20% are not.

The question is why do some succeed while others fail? *Is it possible that those who fail are missing the critical success factors?* According to the [Harvard Business Review](#), critical success factors are the few essential elements that are required for success. In our work with companies that are successful and those who are struggling *we believe there are three critical factors for success: motivating customer buy in, building better solutions, and investing more.*

Three Critical Success Factors

1. Motivating buy-in.

Not everyone embraces change. It's not unusual in the implementation of any new technology for customers to feel intimidated and uncomfortable with the new system. If left unchecked, this can create a climate of dissatisfaction and result in refusal to work with the new system.

How do you avoid that? You have to engage customers with training and support. The mid-west insurance and financial services firm needed to train a large number of staff to use WebCRD and QDirect. They were fortunate to have a marketing department who could create short instructional videos that could be accessed from any computer. Different videos were created for different divisions that had different requirements and each video showed the step-by-step process of how to utilize the new software.

2. Leaders build better solutions.

These are not one-size-fits-all solutions. It's critical to customize the solution to your needs. The [insurance and financial services in-house](#) printing facility was having problems with their outside vendor who could not keep up with their document warehousing and fulfillment needs. Large volumes of printed materials were sitting in the warehouse, only to be pulped when policies changed or the documents went out of compliance. In addition, they wanted to customize documents to make them more relevant to different groups of customers.

Various Web to print vendors were considered but it was clear they would need to integrate several different features and decided to work with RSA. The goal was to utilize RSA's [M.I.S. Print](#) to convert legacy print streams in its data center, QDirect for Enterprise Output Management, WebCRD's Dynamics variable data module to customize templates, and WebCRD for ordering. Although the predicted savings were \$250,000 per year, the system is now delivering \$1.5 million per year in savings. Most of the savings come from reduced obsolescence and waste.

3. Leaders invest more.

As reported in the NAPL *Workflow Investment Survey 2014*, when companies were asked how much they invested, leaders, regardless of company size, invested more time and money. A larger number of leaders invested in the highest investment category (\$25K or more) for Web to print software (32% leaders, 26% laggards).

A government agency, part of the US Department of Interior, wanted to build a product that would help maintain low costs, allow customers to search and order documents, and automate frequent production tasks.

After two unsuccessful efforts with other Web to print solutions, the Printing Manager had a pretty good idea of what was needed and decided to work with RSA. One goal was to be as easy to work with as world-class e-commerce solutions such as Amazon.com. The first step was to scan existing documents and make them searchable and readable. All previous printed jobs were scanned, OCR'd, and placed into a searchable repository of files. The agency wanted to give customers the ability to combine several publications into one larger book. Therefore, they needed to add a feature to separate multiple requests with a tab between each section. After those features were successfully implemented, the staff created a wish list of new features they wanted and created mockups of a new user interface. After several face to face meetings, RSA customized the software to meet their needs.

Overcoming the Four Typical Stumbling Blocks

But even the best of companies can struggle with implementation issues due to the inevitable stumbling blocks that can occur when technology is added to an existing company's tool kit. *In our research and consulting work we see four key hurdles slowing the mass-market adoption of Web to print technology:*

- Understanding customer requirements
- Understanding and overcoming integration challenges
- Lack of beta testing and improving the customer experience
- Marketing the benefits to customers

These four hurdles are not as intimidating as they might first appear. Simply being aware of them and working on them can help you overcome them. Here are a few tips.

Understanding customer requirements may just require one-on-one conversations or group meetings. Asking customers how they prefer to work with you and what you could offer that would make their jobs easier can be done in these one-on-one meetings, focus groups, or with surveys. Gather this input and analyze it.

1. Work out integration challenges. Integration issues have to do with Web to print solutions not talking to other systems. In-plants often need to integrate with corporate SSO (single sign on), accounting or ERP systems, or campus payment cards in higher education. Working with a supplier who has integration experience and getting [IT involved](#) early in the process will uncover requirements and assure success. The majority of in-plants now install the solution as a virtual image (VM) in their data center rather than a physical server or hosted externally in the cloud. Getting IT buy-in upfront makes this implementation much easier.
2. Beta testing is easier than rolling out a solution to everyone. Work closely with a few customers on a pilot basis; identify how well it is working, and look for ways to improve it before launch.

3. In some companies, the marketing of a Web to print solution is based on the movie *Field of Dreams* “If you build it, they will come.” Often the administration of the in-plant frowns on sales and marketing efforts. As a result, some in-plant managers use slightly different language for marketing, such as open-houses, pizza lunches, or free training to bring customers in. It doesn’t matter how you position it. What is important is that your customers see your latest capabilities and that you engage them.

Citrus College Overcomes the Stumbling Blocks

Rocky Reynolds from [Citrus College](#) in Glendora, CA is a good example of an in-plant printer with Web to print who learned the importance of overcoming the stumbling blocks the hard way. In 2006, a digital press manufacturer sold Reynolds a Web to print solution that did not work. The manufacturer agreed to refund the investment in the Web to print solution and recommended Citrus purchase RSA’s WebCRD.

Reynolds vowed that this time he would do things differently. He talked to his top twenty customers about what he was trying to accomplish and got their feedback. He spoke with customers on the telephone or in-person. During the next six months, these top customers helped Reynolds better understand their needs and requirements and also became beta testers to help work out the kinks.

To promote the launch of its Web to print services, Citrus College staff created two post cards promoting the services. The cards announced that, "It's Coming" and "Don't be Scared." The college continues its promotional efforts with more recent postcards showing someone ordering print during their vacation, "From Anywhere." Samples are [available here](#).

You can listen to Citrus’ story first hand in a recorded *In-plant Graphics* webinar, [The Road to Web-to-Print](#) until 6/10/15. Similar to Citrus, Sun Life Financial— a New England financial services in-plant— has overcome the common stumbling blocks. Sun Life collected customer requirements, worked with beta users, and is marketing their new capabilities. In this [video, Sun Life talks about the benefits](#) they have seen from these activities.

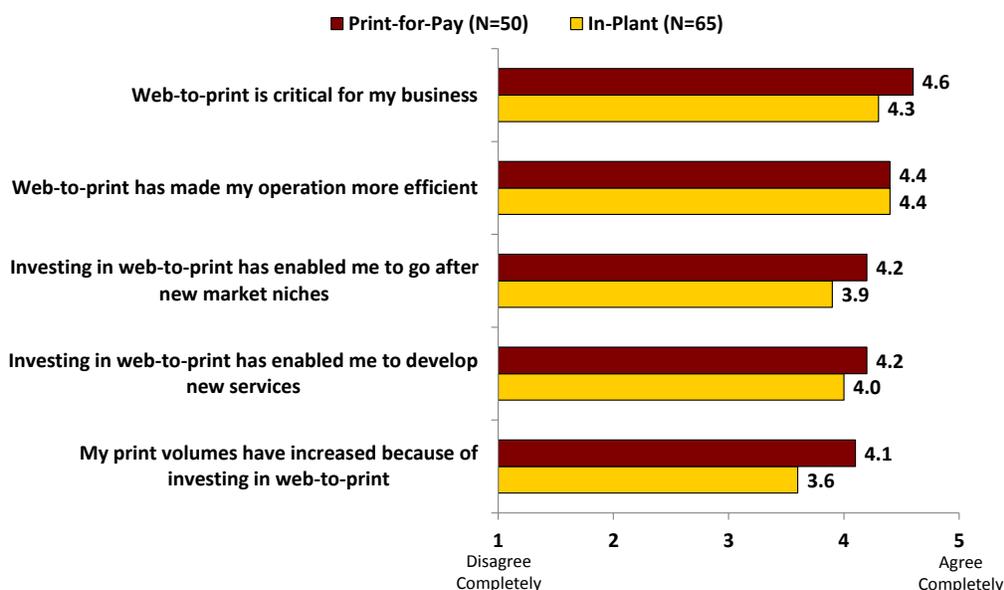
The Benefits of Success

The implementation issues for Web to print technology are not significantly different than the issues we see with print MIS systems, prepress PDF workflows, CRM systems, and mailing and fulfillment software. One major difference however, is that those other software automation tools are not customer facing.

Another advantage of Web to print solutions is that it makes it easier and faster for customers to request estimates, order work, and monitor progress. As a result, companies surveyed report high grades for how important Web to print is to their business.

Figure 4: How Valuable is Web to print?

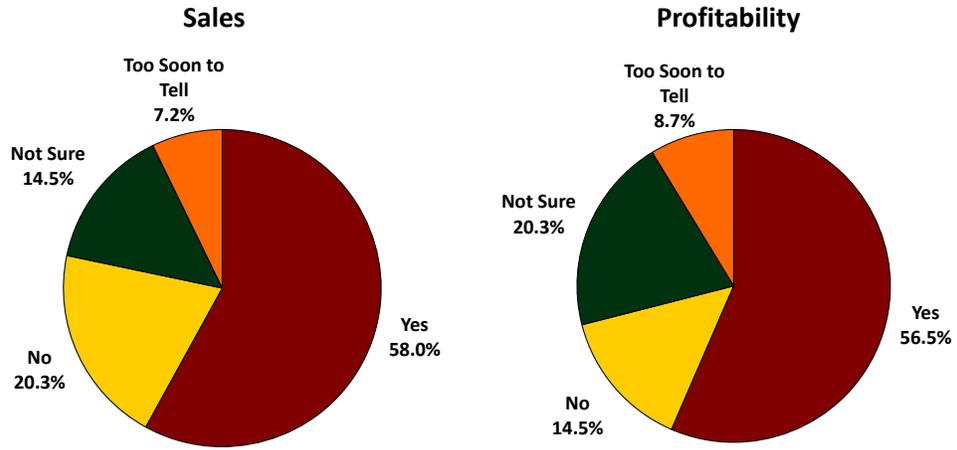
To what extent do you agree/disagree with the following statements about Web to print?



Base = Respondents who offer corporate- or consumer-facing online print ordering, or “RFQ/E” forms with instant results
 Source: *Trends in Web-to-Print, Emerging Trends*, InfoTrends 2013

Arguably however, the most significant advantage of a Web to print solution is that it can increase sales and increase profitability. An NAPL (now EppiComm) study reported that almost 60% of companies today say that Web to print has increased their sales and profitability. In NAPL’s 2013 White Paper entitled *Web-to-Print: The Promise of Potential and the Reality*, 58% of respondents said that Web to print increased sales and nearly 57% reported that it increased profitability.

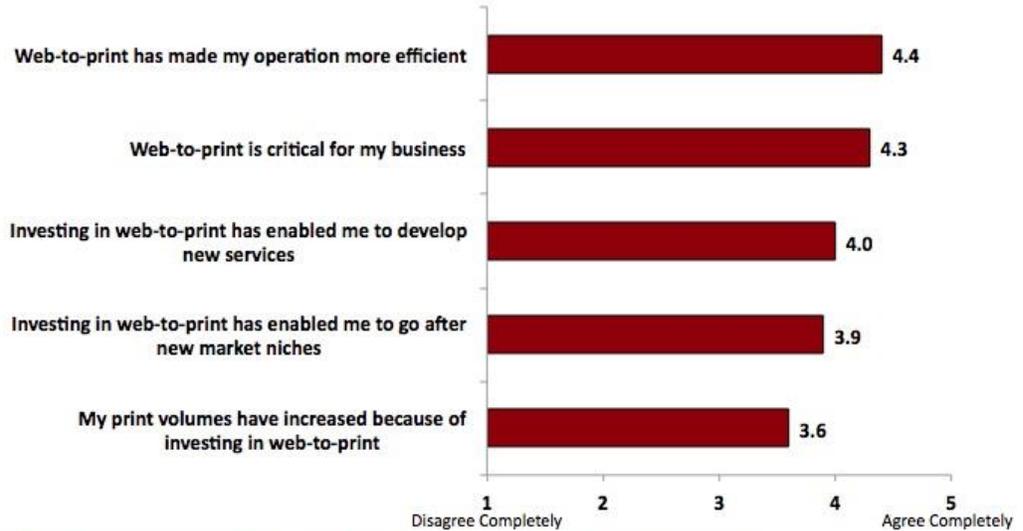
Figure 5: Has Web to print increased your sales/profitability?



Source: *Web-to-Print: The Promise of Potential and the Reality, NAPL 2013*

InfoTrends’ research also found that in-plants reported that web to print helped their organization in many different ways. In March of 2013, InfoTrends, in partnership with the North American Publishing Company (NAPCO), surveyed 254 commercial printers and 96 in-plant printers, to ask about their experiences with Web to print. As you can see in the figure below, in-plants reported both direct and indirect benefits.

Figure 6: How Has Web to print Helped Your Operation?



N = 65 Respondents who offer Corporate-facing online print ordering, Consumer-facing online print ordering, or 'Request for quote/estimate' form that returns instant results

Summary

It is no surprise to anyone in the in-plant industry that the ongoing threats of outsourcing continue to exist. Of the four motivating factors for companies to consider outsourcing, cost reduction is often at the top of the list. The case histories in this white paper show how Web to print can overcome bottlenecks and increase the number of jobs per day. Today, approximately half of all in-plants are using a Web to print solution, but InfoTrends' data shows that the demand to order online is increasing. Not everyone is reporting success in their implementations of Web to print. However, in this white paper we described three critical success factors we see in leading companies, as well as the four typical stumbling blocks to achieve Web to Print success and how to overcome them to be successful.

Companies who have successfully implemented a Web to print solutions report that it is a critical part of their business, has increased their efficiency, helps them sell more, and most importantly, increased sales and profitability.

About InfoTrends

InfoTrends is the leading worldwide market research and strategic consulting firm for the digital imaging and document solutions industry. We provide research, analysis, forecasts, and advice to help clients understand market trends, identify opportunities, and develop strategies to grow their businesses.

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Howard "Howie" Fenton is the Associate Director of Operations Consulting. Mr. Fenton is responsible for working with universities, governments, and corporate in-plants as well as commercial printers and to assess and benchmark their customer and graphic communications processes and provide recommendations on staffing, technology, and sourcing. He also works on strategy, workflow optimization, and business development initiatives.

This analysis was commissioned by RSA to help in-plant managers and their parent organizations better understand how today's technology can optimize their business and how they can benefit by adopting these proven best practices.

RSA has been providing digital workflow software solutions for over 25 years and is the only company in the industry to provide [transform](#), [output management](#), and [Web to print](#) software solutions to support digital production print workflows. Enterprise customers use RSA solutions to turn printing into productivity™. RSA's workflow solutions are available through RSA's partners and directly from RSA. For more information, visit RSA at Visit: <http://www.rocsoft.com/>.

