

SAP Leonardo Live

Lexmark Managed Print Services: IoT enabling Usage Based Billing

June 2017

Frankfurt, Germany

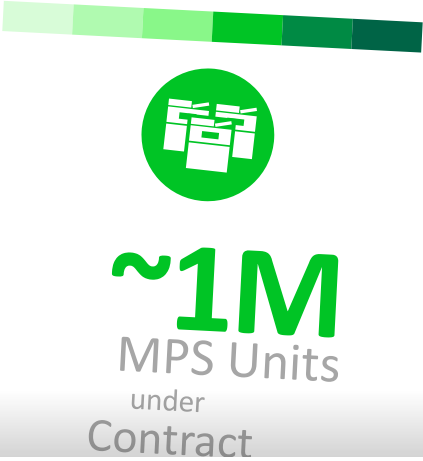


Who we are



Lexmark creates innovative imaging solutions and technologies that help you print, secure and manage your information with ease, efficiency and unmatched value.

Who we serve



Manufacturing



Retail



Healthcare



Banking



Insurance



Government

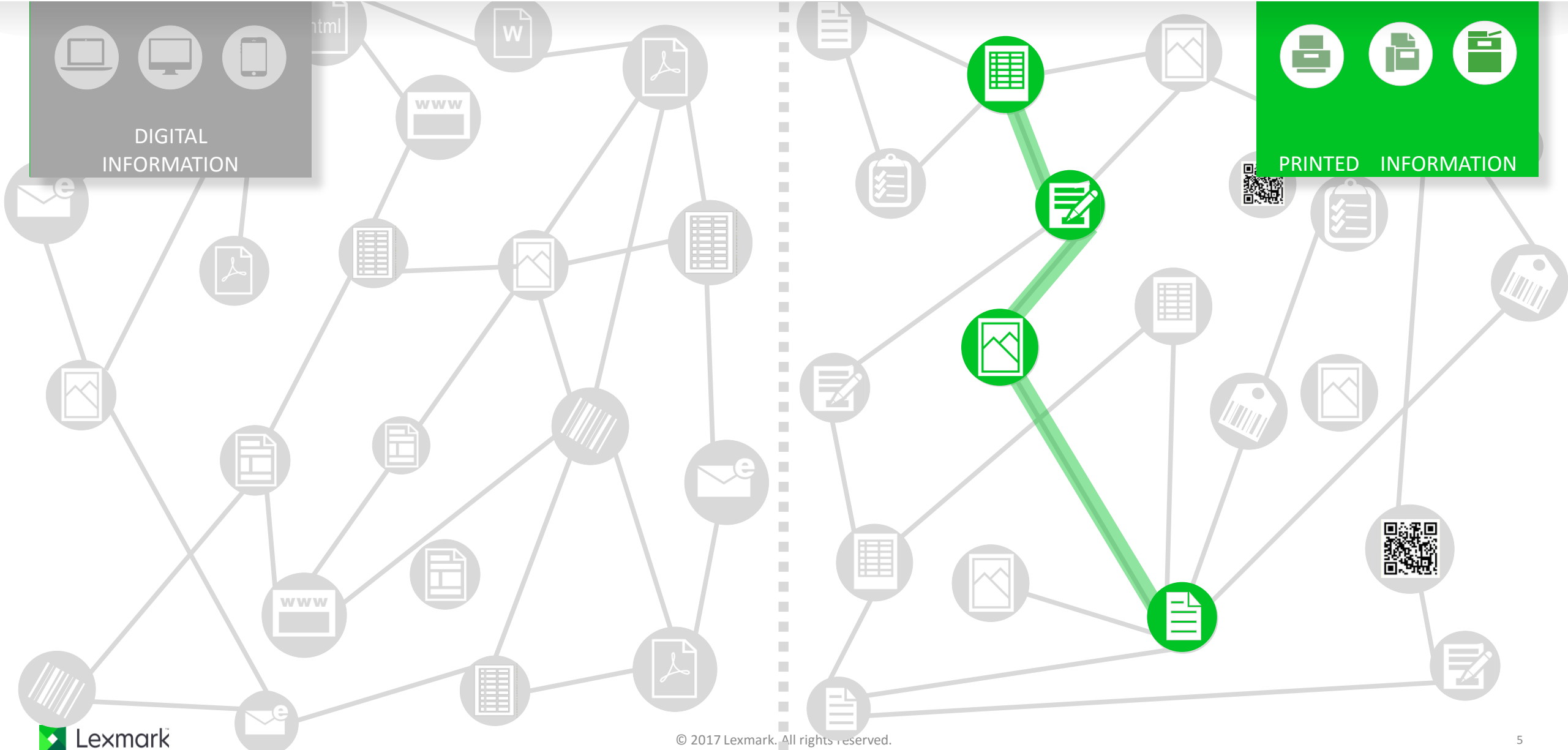


Education

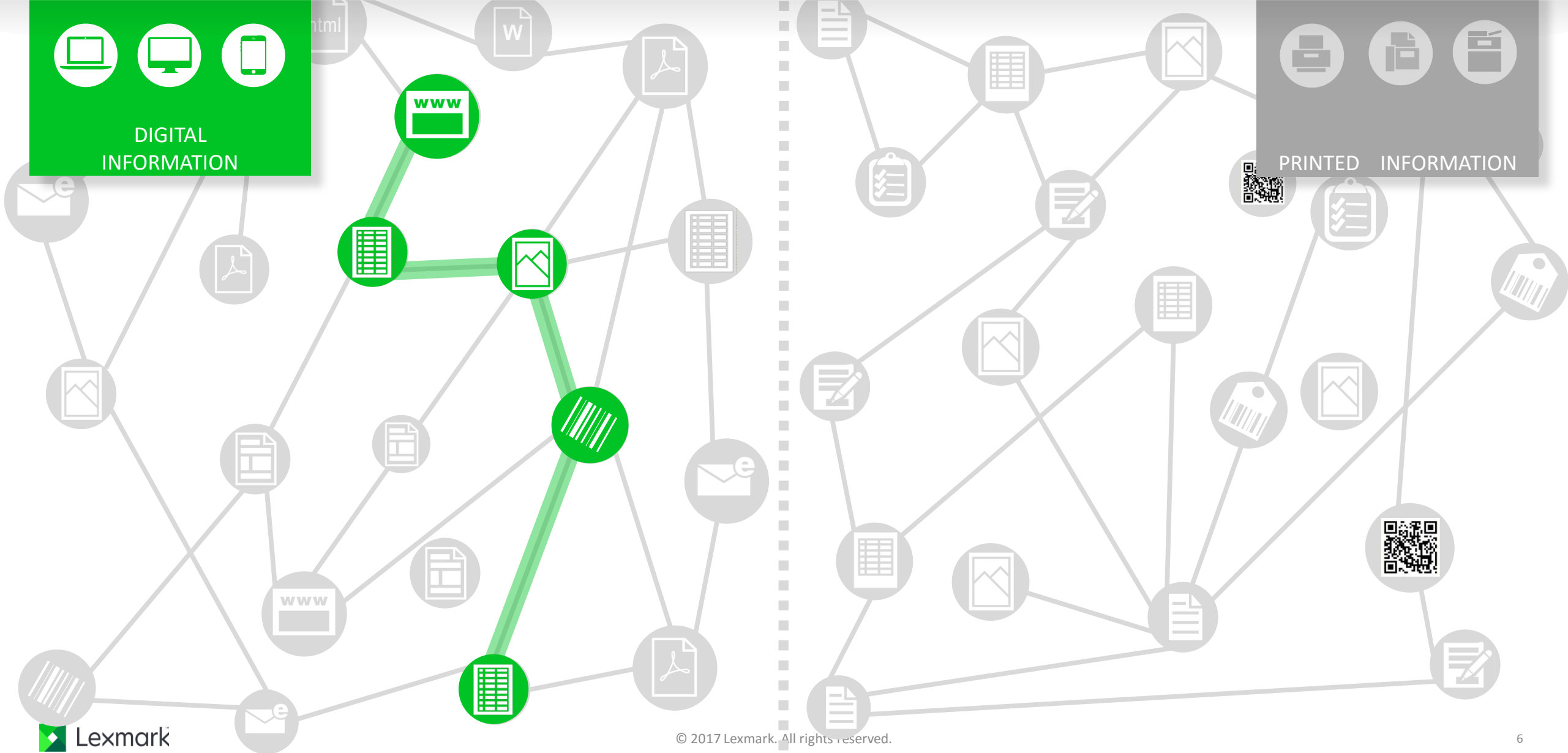


What we do: Understanding your business


What we do: Print processes



What we do: Digital processes



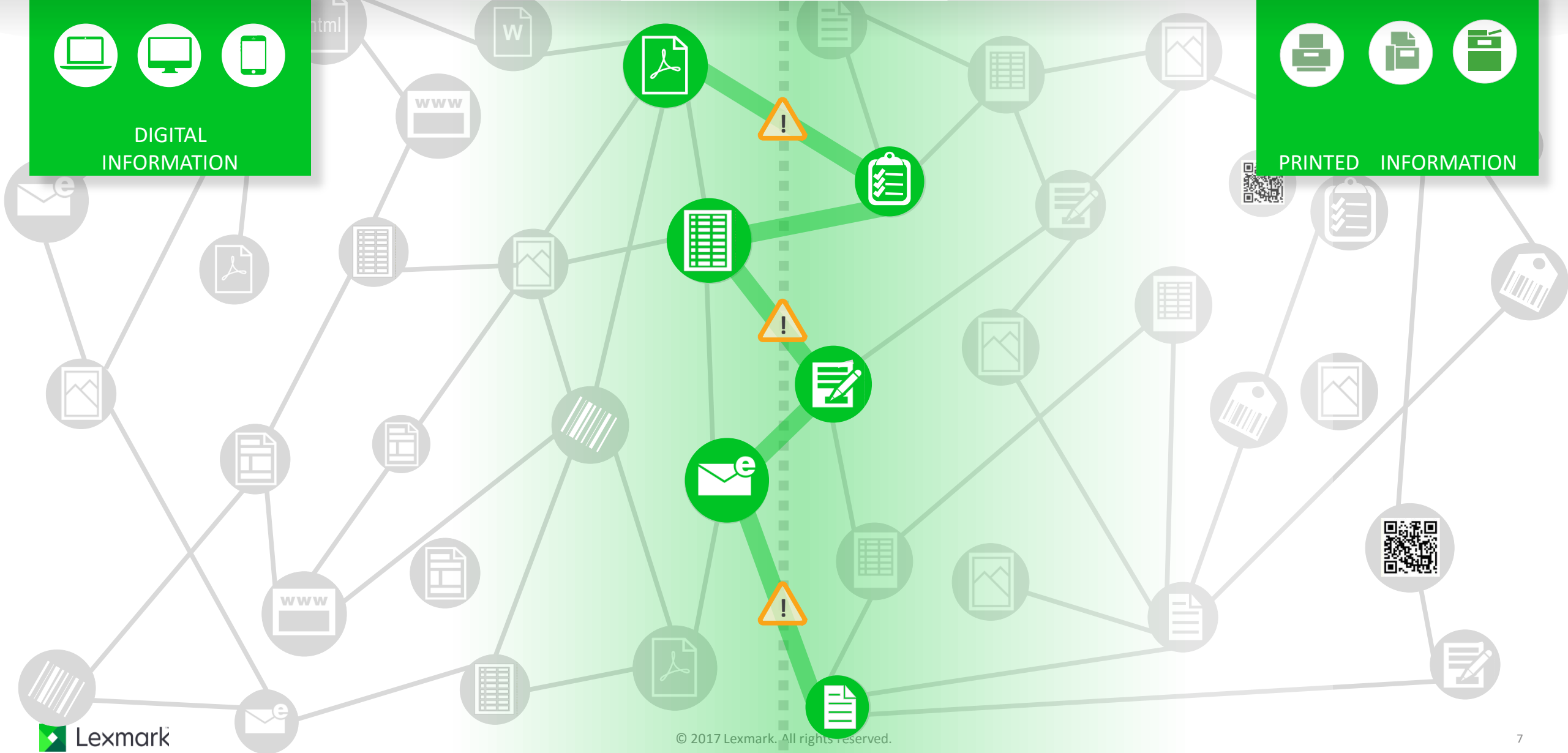
What we do: Managing the intersection



DIGITAL INFORMATION




PRINTED INFORMATION

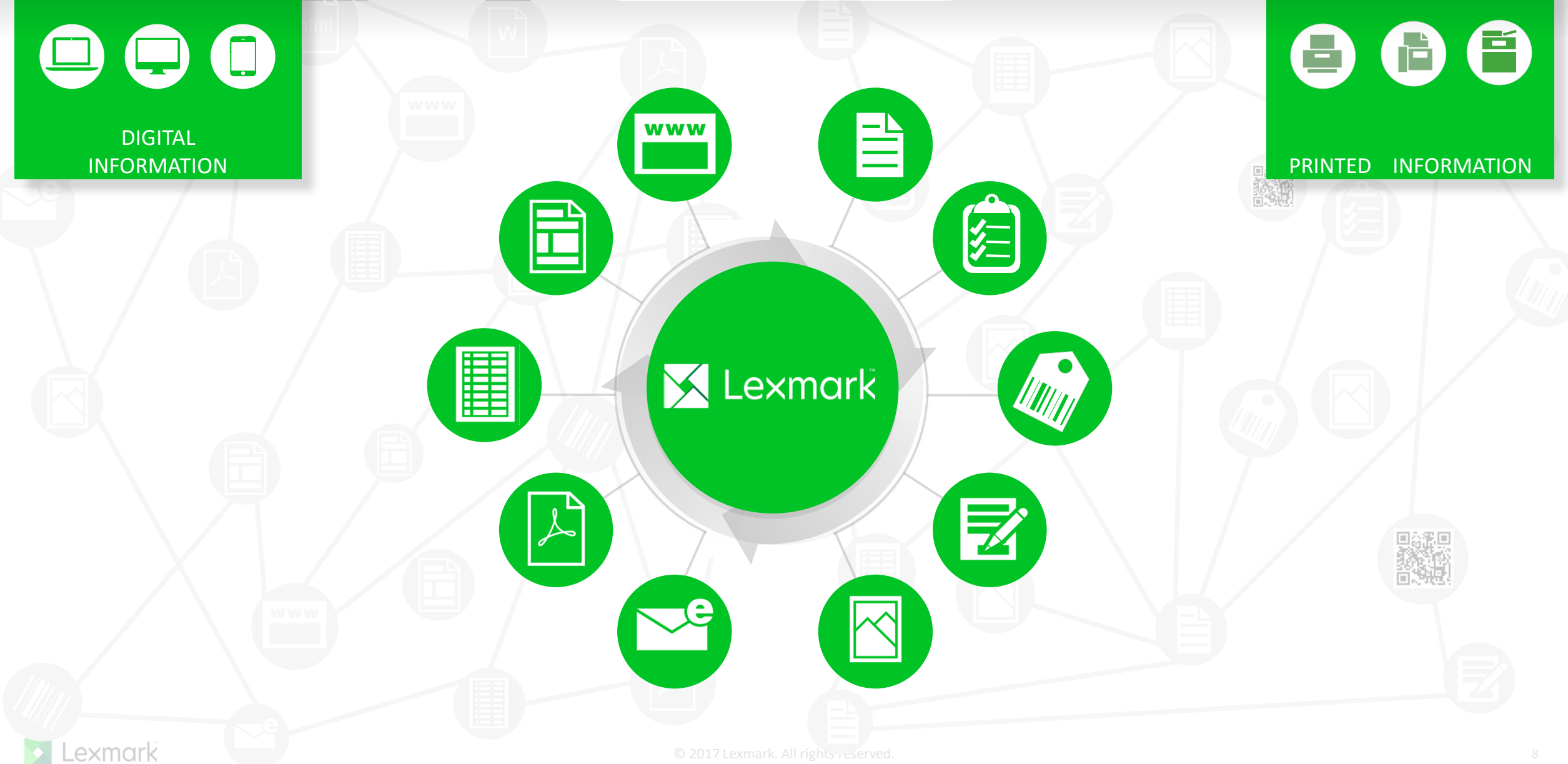


What we do: Managing the intersection

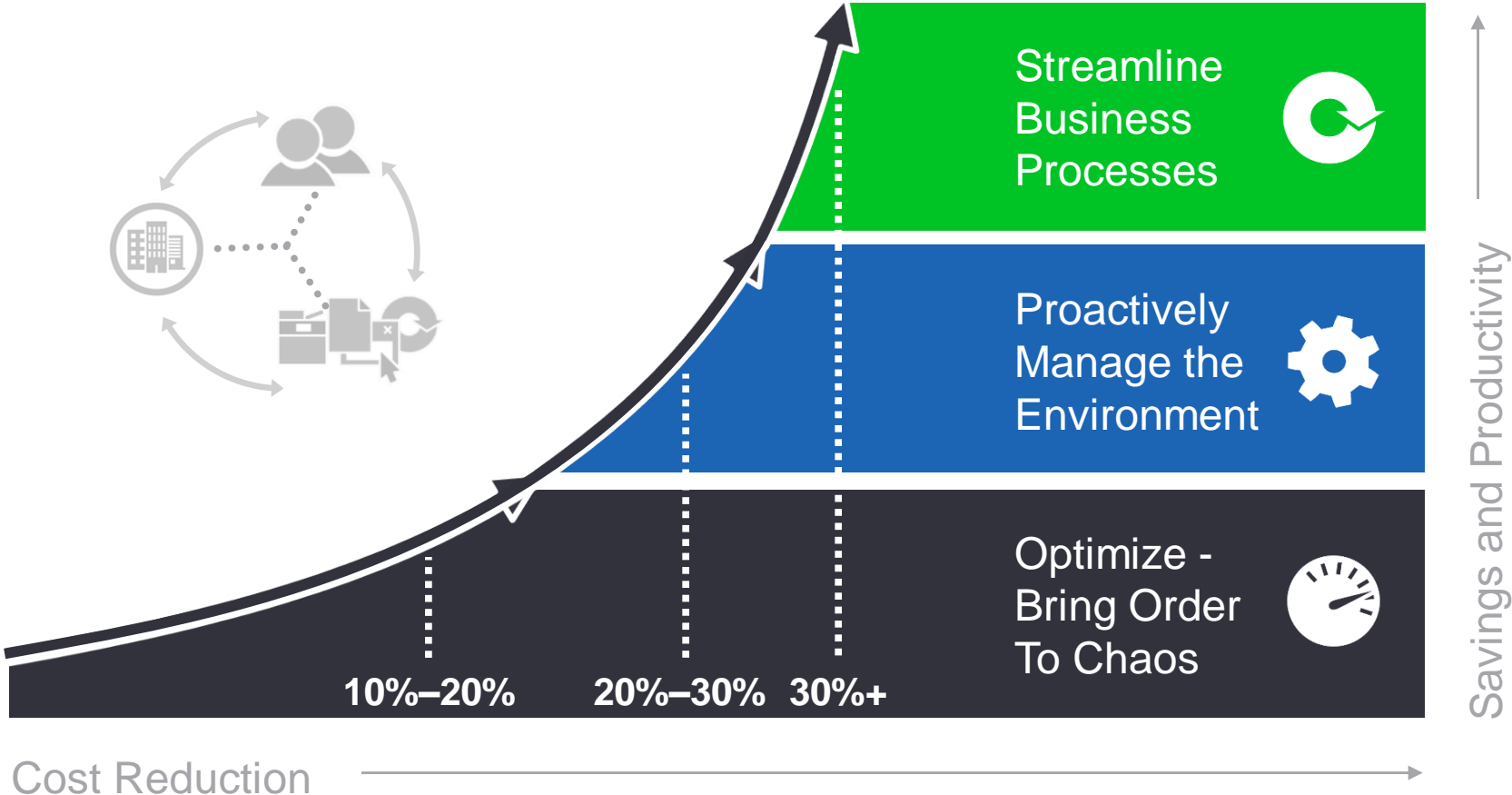
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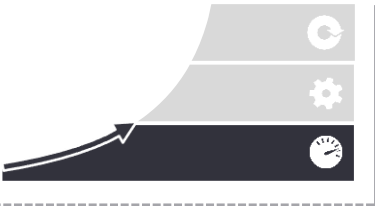
PRINTED INFORMATION



Lexmark Smart Managed Print Services

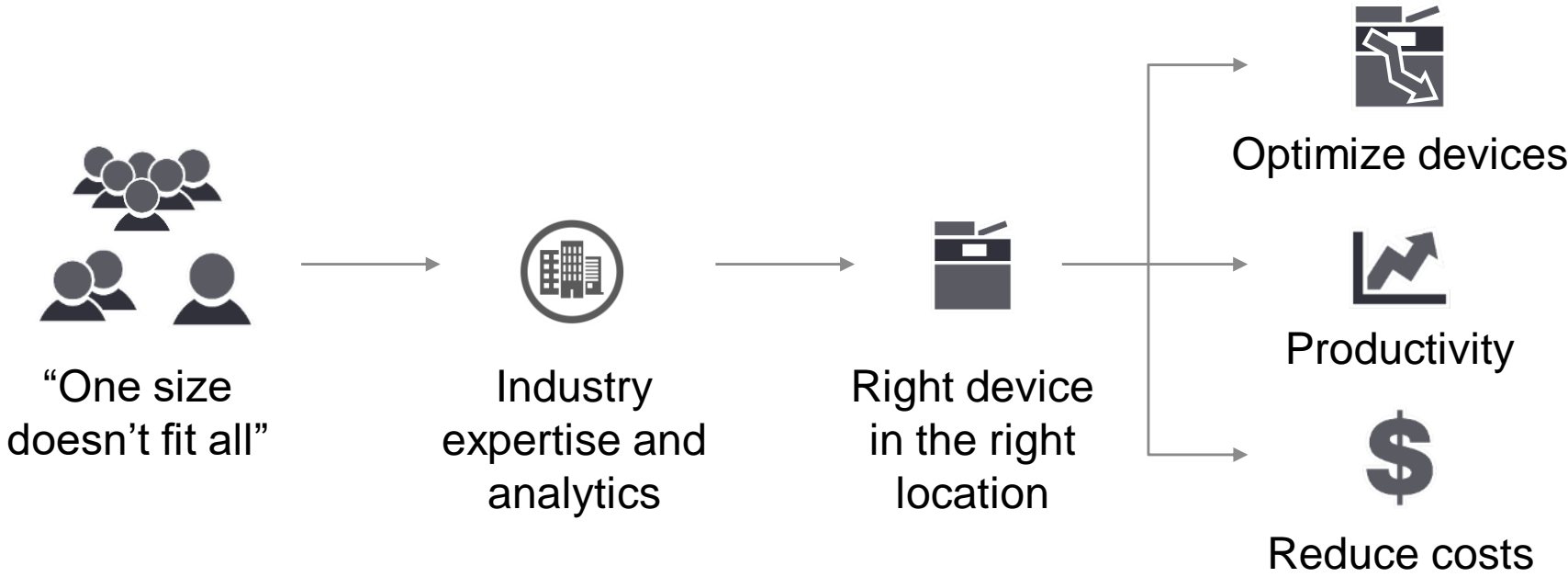


Bring order to chaos

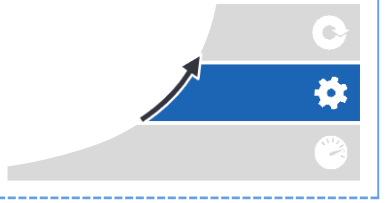


Optimize

Assess your current costs and determine the most efficient mix and placement of devices

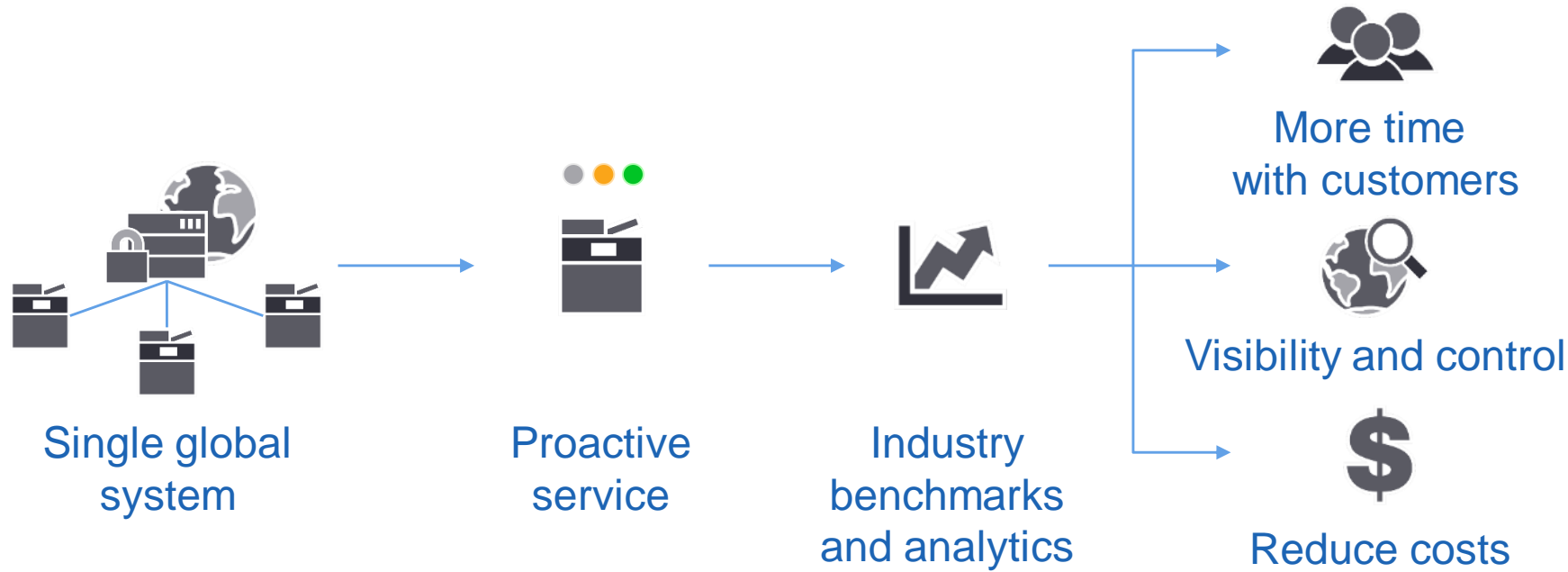


Proactively manage your environment



Manage

Maximize asset availability with continuous monitoring and proactive management

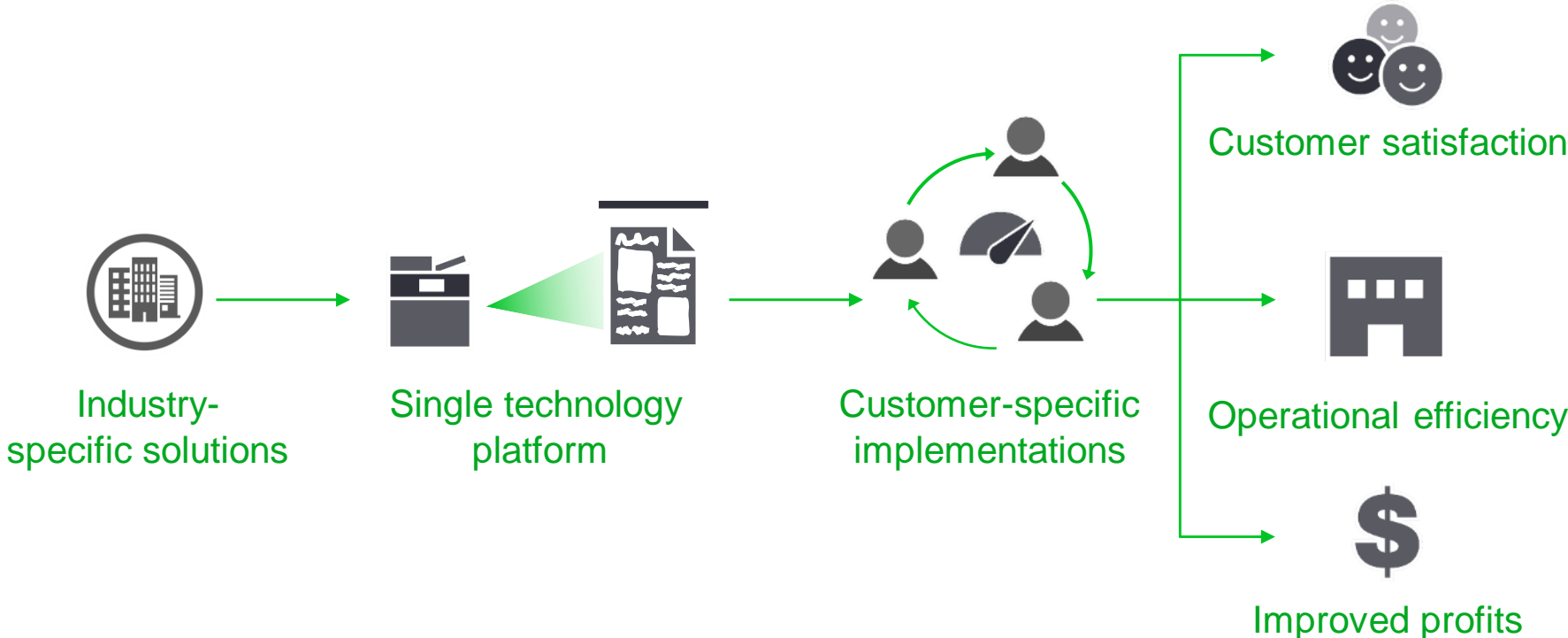


Streamline business processes

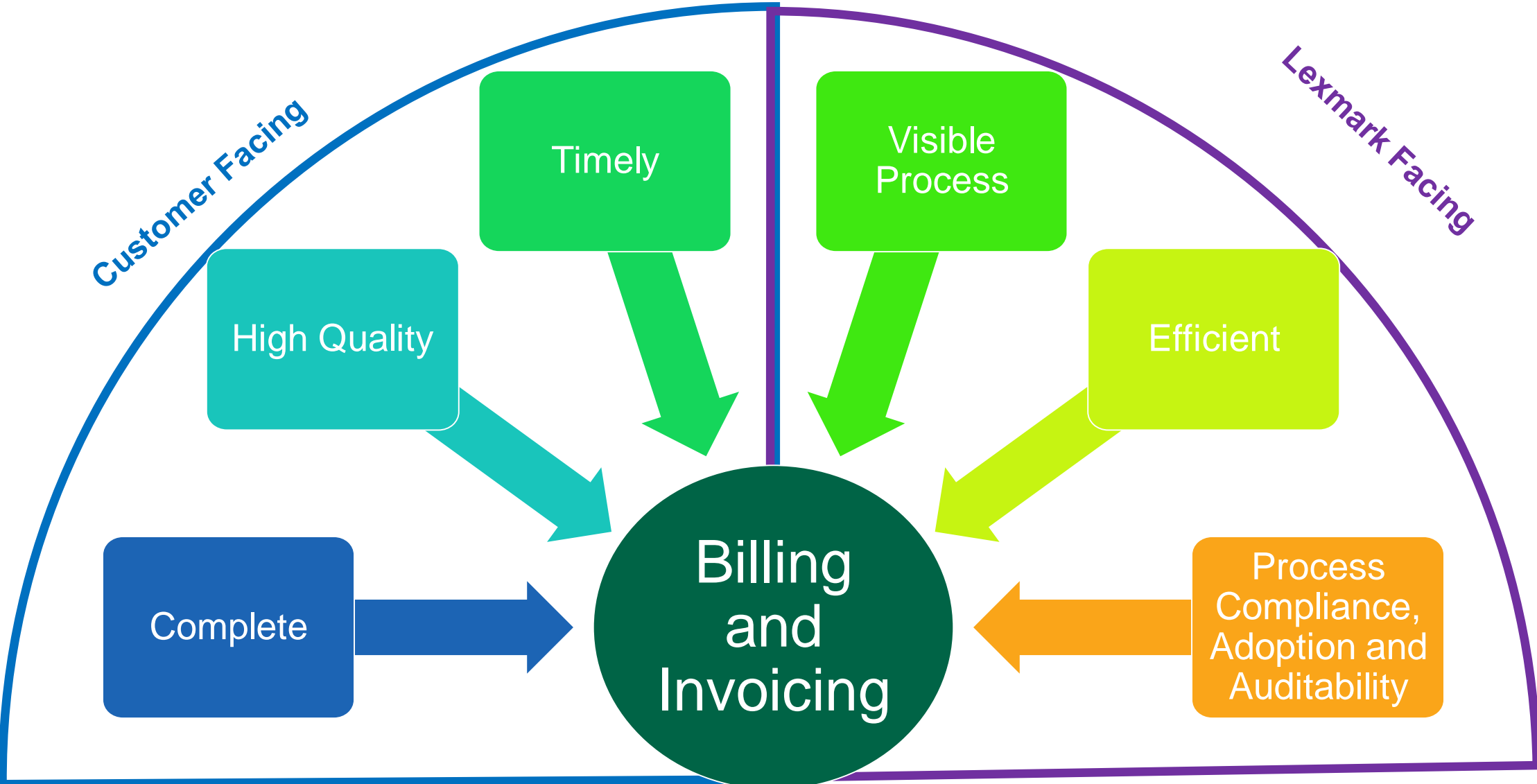


Streamline

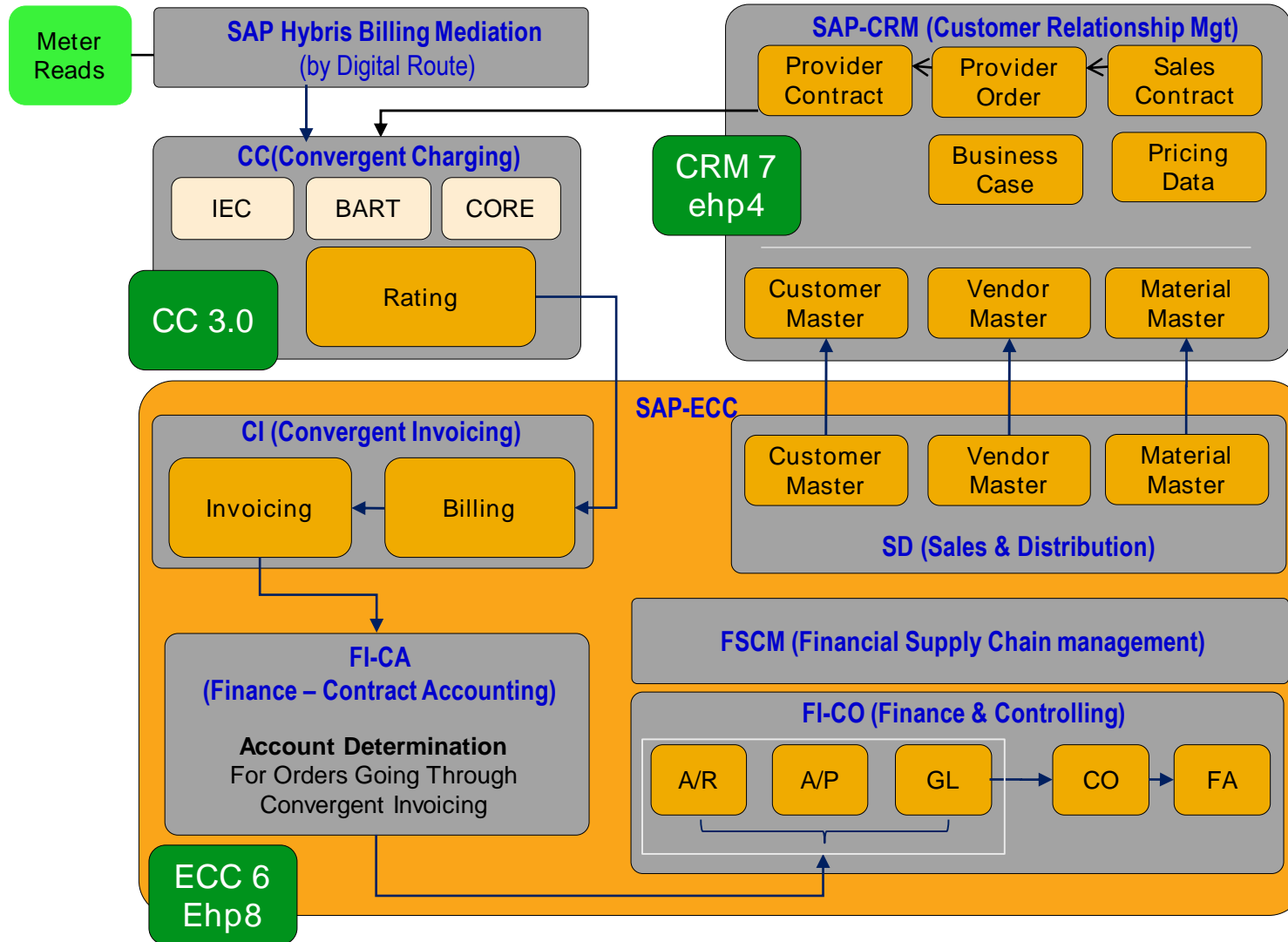
Automate document-intensive processes and raise employee productivity



Managed Print Services - Usage Based Billing Enablement



Managed Print Services Billing with SAP Hybris Billing



Annuity Billing

- Rate, bill and invoice usage charges
- Capture and analyze transaction details
- price/cost by customer, product...

Business Challenges

Smart Managed Print Services

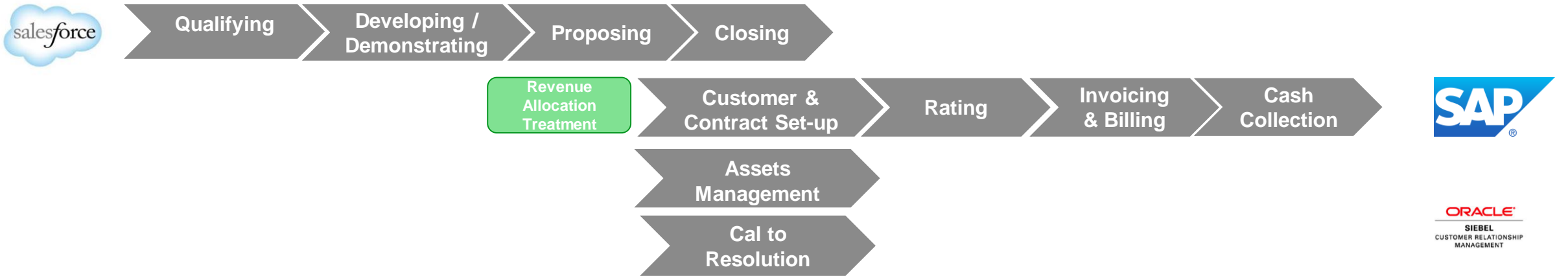
Customer Journey Map



- **Enable winning new business**
 - ▶ Improve Pricing and costing proposal timeliness
- **Continuously improve operations**
 - ▶ Customer setup, Hardware Ordering setup and delivery timeliness
 - ▶ Annuity Invoices completeness and timeliness
 - ▶ Data Quality & Access

IT Architecture - Challenges

Smart Managed Print Services

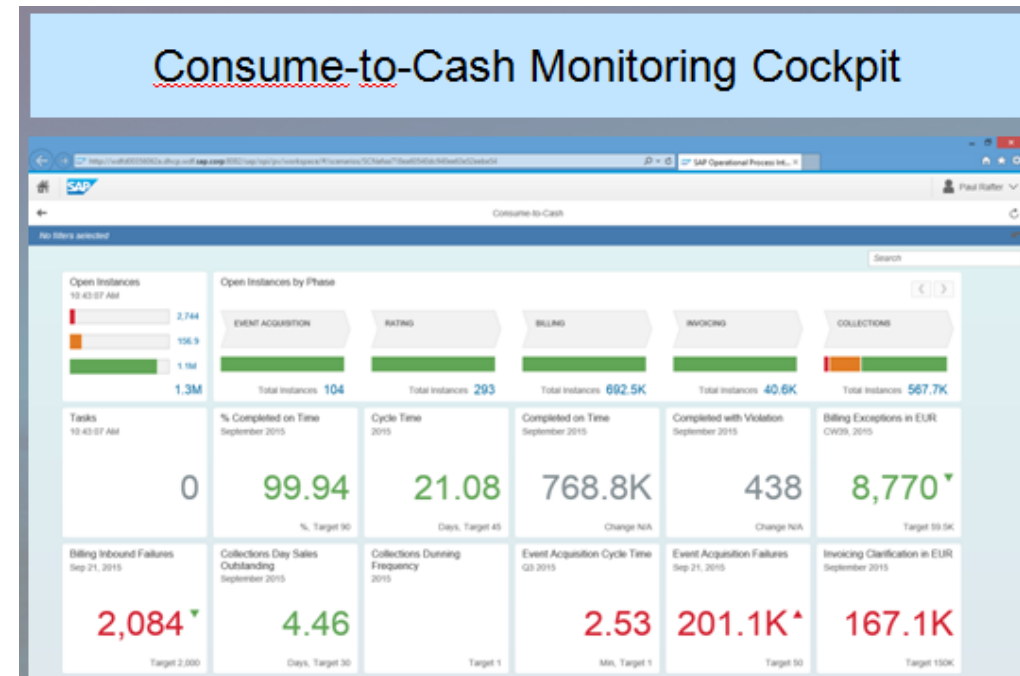
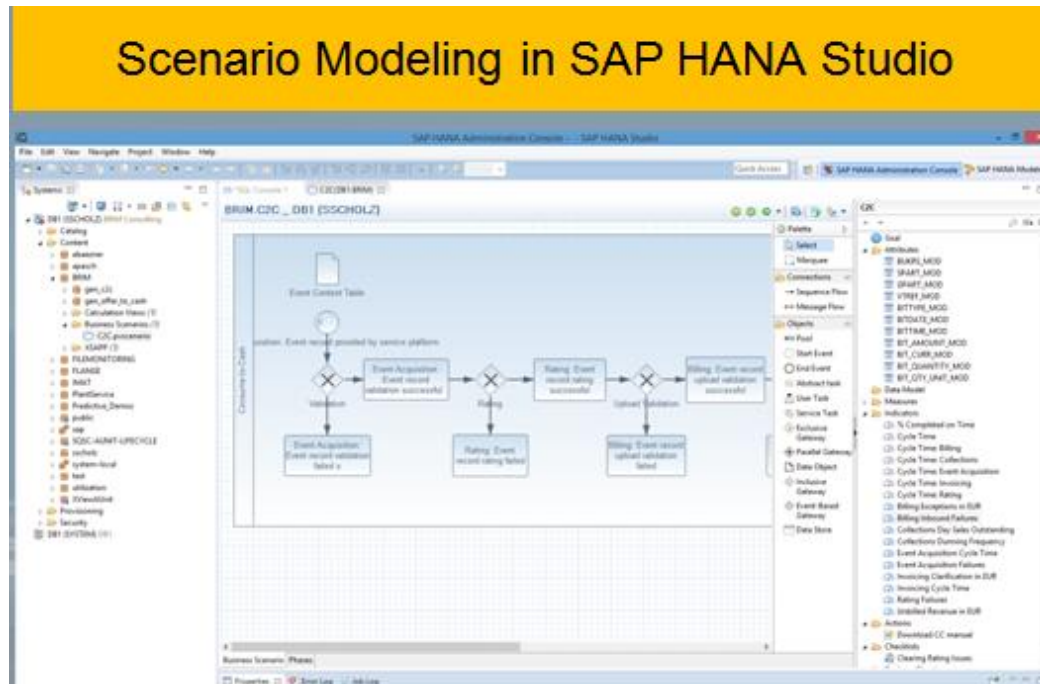


- **Maintain Sales, Quote to Cash and Call to Resolution distinct systems**
 - ▶ Sales Opportunity management with solutions reviews to define the customer proposal
 - ▶ Revenue Allocation Treatment process creating contract to enable the Quote to Cash process
- **Manage Integrations ensuring End to End Data consistency**
 - ▶ Errors in assets data potentially impacting quality of final invoice
 - ▶ Invoicing cycle time dependent on upstream data corrections

IT Architecture - Next Steps

Smart Managed Services

- ▶ Improve end to end process monitoring with SAP Operational Process Intelligence
 - Process analytics: KPI (e.g. Cycle Time) based on events stored in a dedicated Hana database



- ▶ Improve assets related processes and data management (hardware deployment, move, change)
- ▶ Longer Term: Simplify the CRM landscape and related integrations

Conclusion

- **Printing as a Service**

- ▶ Technology supporting the Lexmark business model evolution:
 - Monetization of printed pages leveraging meter reads
 - SAP Hybris Billing enabling Usage based aggregate billing models
- ▶ Higher Value Solutions revenue including Managed Print Services is growing approximately 10%*

*Year-to-year Higher Value Solutions Revenue growth for the nine months ended September 30, 2016

