

WHITE PAPER:

HOW HARDWARE-AS-A-SERVICE (HAAS) IMPROVES BUSINESS OPERATIONS

CUT UPFRONT COSTS AND BOOST YOUR BOTTOM LINE WITH THE MONTHLY SUBSCRIPTION MODEL



Authorized Reseller Partner

Contact NEWCOM at 781.826.7989 for more information. www.NEWCOMGlobal.com





Businesses large and small are looking to the Hardware-as-a-Service (HaaS) model to solve common procurement roadblocks.

Thriving in today's 'always-on' world requires speed and efficiency across all facets of business, including your technology infrastructure. One of the best ways to ensure peak performance is to use the most up-to-date software, hardware and devices.

Since deploying the most advanced business technology can be a challenge due to cash flow or competing budgetary priorities, businesses large and small are looking to the Hardware-as-a-Service (HaaS) model to solve common procurement roadblocks. With HaaS, acquisition costs are shifted to operational expense (OpEx) rather than capital expenses (CapEx), so the latest technology is attainable without undue strain on the bottom line.

Operations managers in a wide range of verticals such as over-the-road trucking, retail, home healthcare and across the supply chain are realizing that HaaS offers a better alternative to business as usual and potentially holding onto older technology longer than they should.

Instead of paying for technology up front and in a lump sum, companies can take advantage of a predictable monthly payment for hardware, consumable supplies, accessories and even warranties.

Making the Shift to HaaS

When evaluating the best method for acquiring the technologies needed to fuel a high performing business, it's important to distinguish between options for the best way to pay for it. When using a HaaS model, procurement is treated as an operating expenditure (OpEx) – which is usually associated with assets needed for the day-to-day functioning of a business. On the other hand, capital expenditures (CapEx), are often larger investments that a business incurs to create benefit in the future. OpEx and CapEx are treated differently for accounting and tax purposes, which is an important consideration for any business.



Clear Advantages of OpEx

For a lot of businesses, CapEx funds are usually harder to come by and require more supporting justification, plus more stringent approval requirements can be attached to it. CapEx expenditures are often linked to the source of the funding such as debt or stock, so CFOs or financial managers tend to reserve their CapEx budgets for big ticket items like a new plant or major equipment purchases that contribute to the business steadily over an extended period. Oftentimes, they prefer not to spend CapEx funds on technologies where new innovative features are needed more frequently to improve the functionality and performance of the business. Utilizing a HaaS subscription facilitates the acquisition of modern technology via OpEx where it can be more aligned to the regular business processes that it supports.

OpEx money basically draws on a decision-maker's monthly budget which typically only has to be justified once per year. These expenditures are usually more predictable and can be more aligned with the periodic ups and downs of the business. When presented with an OpEx method of procurement like HaaS, operational leaders gain a more modern and flexible way to manage their business.



Reduction in owed income tax



No large sums of cash required



Easier, faster approval process



Predictable costs, with maintenance, repairs, etc. included



Scalable to fit changing business needs



Flexible way to deploy new, innovative technologies



Buyers who opt not to purchase and own can be more competitive in their hardware acquisition strategy.

Improve the User Experience with HaaS

Not only does HaaS remove the upfront investment, it also helps reduce administrative and internal IT support costs – making the management of infrastructure more automated and transparent. It's a more convenient way of managing technology assets which, in turn, improves the operations or purchasing manager's experience.

HaaS delivers a value-add across the lifecycle of technology:

Upfront Acquisition – During the initial stage of procurement, HaaS provides an interactive, predictable and understandable process for obtaining the technology assets you need. Businesses can evaluate infrastructure choices or explore various device or process scenarios, and then seamlessly acquire what's best. It's virtually a hassle-free procurement approach.

Mid-Term – Throughout the contract term, when insights into the performance and value of the infrastructure assets become evident, and the needs and goals of the business evolve, operations managers can more confidently plan their next-gen acquisition strategy. HaaS enables a predictable method for managing business operations which is the essence of any good asset management program.

Lifecycle End & Refresh – As the equipment lifecycle nears its end, HaaS also offers a wide range of options to best utilize assets moving forward including:

- Contract renewal for the best term for your business
- · Options to buy-out certain assets
- · Ability to retire or return assets
- Upgrade to new devices or equipment

These options are significant benefits offered with HaaS subscription program vs. a CapEx outright purchase. Buyers who opt not to purchase and own can be more competitive in their hardware acquisition strategy.

A common pain point that subscription services must look to alleviate is unnecessary downtime and delays caused by out-of-stock printer consumables and supplies. In the very near future automated reordering of supplies will be part of HaaS mobile, desktop and industrial printer programs like Brother's Shift & Print Subscription service.



Enterprises across a wide swath of industries stand to benefit from technology advances that can net improvements in productivity, speed, employee and customer satisfaction.

The Best Technology – All the Time

Perhaps the biggest benefit is that the HaaS model makes it possible for any sized operation to utilize the latest, best-performing technology – at all times. Not only is it possible, it's now relatively easy to scale up to meet growing needs; an essential tactic for operations managers under intense competitive pressure.

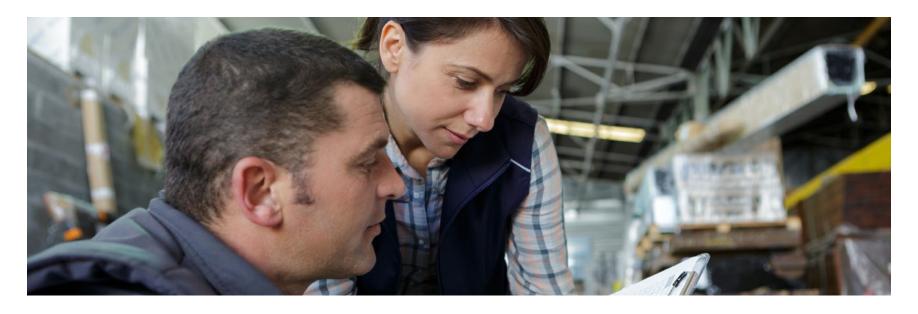
While as-a-service programs are relatively new to the auto ID barcode label and mobile printing arena, they've existed in the office and enterprise printer industries for some time. HaaS is evolving - by demand and necessity - from its traditional roots where office and enterprise printers have historically been the most popular devices to lease (according to the 2019 State of Hardware as a Service report from Spiceworks¹).

The report notes that more than one in five companies in North America and Europe that have adopted HaaS use it for laser and inkjet printers, while less than one in 20 subscribe to HaaS for other types of end user devices.² Among organizations that have adopted HaaS for printers or other devices, 71 percent say its top benefit is reducing the support burden on internal IT staff and nearly 40 percent credited it with lowering total cost of ownership and reducing expenses.³

If the addition of an as-a-service model for desktop and mobile printers takes hold in the same way, enterprises across a wide swath of industries stand to benefit from technology advances that can net improvements in productivity, speed, employee and customer satisfaction, and other metrics associated with this category of devices.







HaaS Benefits Abound

Now that HaaS is available for desktop, mobile and label printing technologies, businesses large and small can take advantage of significant benefits including:

- Free up limited capital by minimizing upfront investment. Since HaaS shifts technology hardware and services from CapEx to OpEx, so there's no need to invest substantial funds upfront for the most advanced printing technology or the latest upgrade. HaaS frees up capital that can be utilized in other areas of the business.
- 2. Add convenience, predictability and transparency to managing assets.

 The ability to cover all related technology expenses, including maintenance, with a fixed monthly subscription rate clarifies monthly spend and simplifies budgeting.
- 3. Improve reliability, uptime and efficiency.

 With HaaS, users can count of fast, efficient setup that keeps business moving. *In the very near future automated supply re-ordering and billing will be included as part of HaaS programs to reduce administrative costs and ensure labels, ribbons and other consumable items are always in stock.
- 4. Built-in scalability. As your business grows and changes, so do your printing technology needs. HaaS makes it simple to scale up so that your technology is always right-sized for your immediate and future requirements.
- 5. Keep current with the latest and greatest. Small and mid-size organizations often pay an especially high price in terms of reduced productivity, agility and revenue when they continue to rely on outdated legacy equipment. HaaS makes deploying state-of-the-art technology easy and smart, removing concerns about the cost and timing of investing in new technology.





Authorized Reseller Partner Contact NEWCOM at 781.826.7989 for more information.

www.NEWCOMGlobal.com



Sharpen your competitive edge

Brother Mobile Solutions, a wholly owned subsidiary of Brother International Corporation, and premier provider of thermal print and labeling technology, is now offering the Shift&Print Subscription Service through its channel partner network. Brother Mobile Solutions' customizable HaaS program includes these components:

- · Versatile, high-performance mobile, desktop and handheld thermal printers
- Brother's comprehensive world-class limited warranties that cover device replacement or repair
- · A full complement of Brother accessories including chargers, cables and cases

Plans are in the works to add automated ordering, refilling and billing of consumable supplies including labels, paper and ribbons. In addition, Brother is looking to add hardware-compatible third-party products including smartphones, tablets, rugged handhelds and mounts as well as software from Brother or a third-party vendor to the solution in the near future.

With Brother's extensive experience and proven track record serving a broad crosssection of industries, as well as our deep technology expertise and commitment to innovation, you can trust us to deliver the HaaS solution you need to stay in the game in today's intensely competitive marketplace.

Shift & Print Subscription Service from Brother Mobile Solutions

Learn more about Shift & Print plans. >> Talk with a Brother HaaS expert today! >>

www.spiceworks.com, "The 2019 State of Hardware-as-a-Service"