## How Lexmark's International Managed Print Services unlocked potential for savings and growth at DSG international

DSG international plc (DSGi) is Europe's leading specialist electrical retailing group, trading through 1,450 stores and online, spanning 28 countries and employing over 40,000 people. In 2006 its group sales topped £7 billion, an increase of 8% on 2005.

More than 100 million customers shop in-store and online with DSGi every year. Brands in the DSGi portfolio include PC World, Currys and Dixons.co.uk in the UK and Ireland, Elkjøp in the Nordics, UniEuro in Italy, Kotsovolos in Greece, Electro World in Central Europe, PC City in France, Spain, Italy and Sweden, and Pixmania. com. DSGi operates a multi-channel approach to electrical retailing and offers customers a comprehensive range of aftersales services. DSGi also runs a multi-brand business-to-business operation in the UK. With such a distributed footprint of stores, brands and geographies, DSGi needs to ensure all its processes are streamlined as much as possible and that they take into account its international scope.

### The Challenge

DSGi ran a large fleet of over 6,000 distributed printing devices across 700+ locations that were difficult to physically support and maintain, and financially manage and control. The company understood that although it could not measure how much time and money was spent on output, there were opportunities to drive efficiencies and, in return, introduce significant cost savings across the business.

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> Group Chief Information Officer, DSGi

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DSGi formulated some key objectives in its strategy to transform its print infrastructure:

- understand the actual total cost of printing and break it down across the enterprise
- make significant savings on this cost
- pay for print by the page
- effectively manage the new output environment to drive ongoing savings
- achieve the above with minimal upfront capital investment

> "Easy access to MFP technology has improved internal processes, enabling our employees to be more productive and spend more time with customers."
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In order to achieve these objectives, DSGi needed a partner that could help it understand output costs, drive considerable, immediate savings across a wide network of businesses. In addition, DSGi wanted to execute an international operation and put in place reporting and processes to identify additional opportunities to drive continuous improvement. At the same time, it required a deep understanding of the retail sector, the challenges, the market forces and the opportunities contained within it.

## The search

Lexmark and a leading competitor were invited to analyse and report on DSGi's output infrastructure and propose a strategy that fit with its objectives. John Thorp, Group Chief Information Officer at DSGi explained: "We had both tactical and strategic objectives to reach," he said. "Our business is diverse in many ways, so we were searching for a partner that had a consistent approach and the experience to back it up. We were ready to see printing as a critical part of our information management strategy, and needed a partner that saw things the same way."

Lexmark worked closely with the DSGi business units to gather cost information from across the business, to identify output needs of users, as well as, to study specific sample stores. Lexmark's proposal included a business case highlighting the benefits to DSGi from a new output infrastructure. Detailed in the proposal are defined immediate cost savings, environmentally friendly recommendations and a platform designed to drive continuous improvement and increase the time employees can spend with DSGi customers.

This output strategy was proposed as part of a Distributed Fleet Management model, ensuring a lower total cost of ownership; including new devices, service and supplies, as well as management reporting and a cost-per-page payment model. Driving operational productivity was a central factor across the entire proposal.

## The solution

Lexmark delivered managed print services that could respond, react and continually evolve with DSGi's business needs. In a four-year, international deal, DSGi was provided with a fleet of devices (monochrome, colour and multi-function printers) managed by Lexmark Distributed Fleet Management services.

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After the device consolidation, the total number of printers in the fleet was reduced to approximately 4,800 devices. For example, the number of devices per user at DSGi head offices improved from 1:3 to 1:9. This was achieved through the replacement of dedicated copiers, faxes, scanners and printers with multifunction devices, and the removal of personal print devices.

"Despite initial user concerns about consolidation, the new print infrastructure was the single highest scoring element of an internal user satisfaction survey taken shortly after implementation," said Thorp. "Efficient use of our resources is at the heart of our corporate strategy, and cutting down on waste is one of the main ways to fulfill this. There was no need to have so many devices per person – this constituted a waste that Lexmark easily rectified."

Efficient driver deployment to the large estate was both complex and key to a successful implementation. Lexmark created custom tools to remotely detect, deploy and configure multiple print

drivers to over 12,000 tills and workstations in the retail stores, saving thousands of hours in manual processing. In addition, Consumables Management ensured proactive replenishment of supplies without the need to store consumables on site, saving space and freeing up employee time to spend with customers.

## The results

The new print strategy has already exceeded the forecasted annual savings for DSGi, and improved transparency thanks to monthly reporting metrics – providing valuable intelligence to help DSGi financially manage its printing. The environmental benefits of the new solution are substantial, including:

- 20% reduction in printed output per year.

- The quantity of toner cartridges used has been reduced by 22%, and return programmes are in place to ensure the collection and recycling of all cartridges used.

- Central control and power management ensures that the individual devices power down when not in use and the whole fleet powers down out of store or office hours.

> "Lexmark's significant retail experience and with large, international implementations and organisations has helped us towards our goals – we are pleased to have them as a value-added business partner."
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> John Thorp
> Group Chief Information Officer, DSGi