Stepping It Up

How to sell your MPS deals faster

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Managed print services (MPS) is not a new service for MFP dealerships to provide. In fact, I would bet that your company has been listing it as an offering for years now. The question is: How often are your salespeople actually selling it?

MPS remains an untapped market that is not being pursued. In 2020, HP Inc. finished the year with nearly $57 billion in revenue. Of that $57 billion, $13 billion was printer toner sales. Yes, you read that correctly. They make crazy money selling toner. In fact, those profits represent more than 60% of the profits of the entire company.

It is no secret that there is money in desktop printing and MPS is still one of the most profitable offerings an office technology dealership can provide. Yet most dealerships lean heavily on their transactional MFP renewal business even though margins are getting thinner by the minute. So why are these MPS deals not happening as often as they should?

The way MPS is taught is a roadblock to consistent sales. For the longest time, sales trainers have taught how to sell MPS through education around the assessment process. That is not wrong, but the challenge of teaching a process is you are encouraging a series of actions or steps that lead toward a certain outcome. But what happens if you skip steps in that process? Or what happens if you do not follow it at all? These questions do not fit with the normal MPS process model because you are encouraged to never skip steps.

There is one main reason why this system does not always work out: Not all MPS opportunities are equal. When training on how to sell MPS, it is mentioned that the salesperson should be on the lookout for offices with 20 or more networked printers. That is when they should lead with the MPS assessment process.

The problem is these 20-plus-printer offices are rare situations. Your dealership may only have a handful of these opportunities in your territory. Because of this, MPS is put on the back burner and only utilized when this type of account presents itself. This is why selling MPS is so inconsistent.

The number of printers is irrelevant. The one truth that should be understood when thinking about MPS is this: MPS is the most profitable offering you will sell at your dealership. This means it is profitable regardless of the size of the opportunity. The company could have one printer doing a large volume and your dealership will make an insane profit off of it. The number of printers is irrelevant. The printer volume is everything.

Does this mean the process is the same with only a handful of printers as it is with 20 or more? Absolutely not. However, the sales cycle for most MPS deals can be as fast as a copier/MFP transaction. You just need to make sure your dealership is ready to do these types of deals — fast!

Selling MPS Fast

When it comes down to it, your salespeople should be adding an MPS service contract to every networked printer that is putting ink on paper in their territories. If not, there is just so much profit you are missing out on.

At the megadealership where I served as a sales executive, it was normal for a salesperson to write more than five MPS service contracts at net-new accounts each month. There is no reason your salespeople could not have similar, consistent results. It just requires a bit of preparation. There are four key areas you will need to set up in your infrastructure to ensure your salespeople can do these deals daily.

■ **MPS Pricing Cheat Sheet & Compensation Plan** — In the old days, deals were done on napkins. That was because each salesperson had some sort of cheat sheet inside of his (or her) notebook that let him know what pricing he could offer. Today there are apps, websites and pricing tools to help your sales team members be more effective, but they have to go back to the office in order to use them.

If you want to increase the speed at which your salespeople put together MPS contracts, they need to be able to price on the fly and understand how their compensation will work as well. With all of the types of copier/MFPs and printers — and scenarios — that happen with MPS, you will be surprised by how much a pricing cheat sheet for MPS will work wonders for your results.

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■ **FMAudit Tool for Opportunity Discovery** — Since knowing the customer's volume is necessary to sell MPS, your team members will need all the tools they can get to quickly determine the volume in their prospects' accounts. In addition, having access to charts and graphs of that volume can illustrate the inefficiencies that come with desktop printing. You can get both of these by investing in print tracking software.

FMAudit has a strong hold on the market share in this area. You do not have to choose FMAudit, but you absolutely need some print tracking software at your dealership that you can load at all current customers to sniff out opportunities. Other features this type of software provides, like autoshipment of toner, will come in handy when selling the other benefits of your MPS program.

■ **Free Printer Program** — One of the biggest roadblocks to doing MPS faster is figuring out what to do with inkjets and poor-performing printers that your prospect has in its office. Can you service them? Should you? There is a better way to handle this if you want to move faster: Just give them a printer.

Part of any successful MPS program is the ability to quickly replace bad network devices with trusted models. That does not mean giving customers Sharp or Epson A4 printers if the main devices at your dealership are A3. I am talking about replacing bad HPs with remanufactured HPs. Keep it simple. Your customers will not question the strategy when you are swapping out their models with others from the same brand.

Free printer programs are also a great way to start MPS contracts with current customers. You just need to make sure the pricing is set up ahead of time so your salespeople can just select the ones they need from a list and add them to their cheat sheets.

■ **Backend Contracts** —The last part of your structure is to have the contracts all figured out for your sales team members. There are three types of contracts I am referring to here:

(1) Remanufactured toner provider: Do you have a contract set up with Clover yet? It is the top provider out there for a reason. The fact that it integrates with e-automate and FMAudit is a plus, too.

(2) Outsourced service provider: You do not want to have to think about what to do if your customers have locations where you do not have offices to support them. Outsource the service to a company like Barrister and you are all set. It is a no-brainer.

(3) MPS finance contract provider: Outside of a service contract for MPS, you will need an agreement with a bank that understands how to handle MPS contracts. Some are better than others. GreatAmerica is always a good choice here.

Speed Up Your MPS Transactions

Now that you have everything established to sell more MPS deals at your dealership, there is more to be done. First, you need to look into the low-hanging-fruit opportunities that you have out there. Second, you need to determine how you are going to present the business case to turn these companies into new MPS customers. I went over some specific ways you can do that during my recent BTA Building My Business webinar; visit www.bta.org/BMBArchives to access the recording of that webinar.

Each of your salespeople should easily be bringing in multiple MPS transactions per month on a consistent basis. With all of the pieces in place, it is incredibly easy to do.

In summary, MPS needs to be the lead offering at your dealership. Without it, you are fighting the dwindling margin race of office equipment. HP is still earning billions in profits on toner sales every year (and that is not decreasing). Just imagine capturing a tiny sliver of that for your dealership. ■

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