



# Gaining Efficiency and Growth Through Outsourcing

Leveraging outside providers can save businesses time and money.



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This white paper illustrates how outsourcing non-core functions such as print and parcel management can help an enterprise focus on its primary business and increase the bottom line.

**Implementing an efficient outsourcing strategy for print and parcel management can:**

- ▶ Reduce immediate paper, equipment and energy costs
- ▶ Eliminate the need for in-house print and mail staffing
- ▶ Alleviate in-house mailroom delivery complications and delays
- ▶ Offer alternative delivery options, including same-day and package tracking
- ▶ Maintain brand standards for color consistency
- ▶ Expand the offerings for employees who create print materials

The statistics in this white paper show that developing a strategy to outsource print and parcel management services can help a company to become more economical, quick and streamlined, and can result in generally more efficient operations.





# Stay Nimble, Stay Competitive

It's time to rethink print and parcel management.

The days of the ubiquitous in-house print and parcel services are drawing to a close. In the era of on-demand everything, successful companies stay lean, dynamic and powerful by focusing on their core business and making use of trusted outside providers whenever possible.

Businesses are increasingly discovering that they can reduce overhead and increase efficiencies by engaging with an outside print provider — and, in some cases, outsourcing their parcel management as well.

When it comes to operational advantages, reducing the costs associated with printing can become a business's secret weapon. On average, for every \$14 spent on printing, \$96 goes to ancillary activities and the cost of obsolescence.<sup>1</sup>

Analysis also shows that Fortune 500 companies spend roughly 9% of their budget on mail-related expenses.<sup>2</sup> Meanwhile, each year 2.5%\* of all mailroom deliveries are either lost or delayed by in-house complications.<sup>3</sup> Lower either number and you'll be ahead of the game.

Developing smarter, more efficient approaches to print and parcel management creates cost-effective, streamlined and faster operations that help companies get more out of less.



**\*2.5%** adds up

Example: If your company receives 500 parcels per week or 26k per year, **650** will be delayed or misplaced, causing concern and cost in personnel time.

<sup>1</sup>The Cost of Business Communications, InfoTrends 2019.

<sup>2</sup>Calladine, Mark. February 1, 2018. "The Mailroom — the Forgotten Facility."

<sup>3</sup>Collins, Peter M. "The compelling case for an in-house parcel."

# Build a Better Bottom Line

Outsourcing print and parcel management services allows a business to streamline costs without cutting quality.

A recent piece on LinkedIn called it “the hottest trend in driving cost reduction.” That trend? Outsourcing the traditional corporate mailroom. By doing away with the old-fashioned mailroom model, companies effortlessly reduce their overhead. They can rely on a smaller, more streamlined staff. And of course, a smaller staff means lower infrastructure costs. In fact, according to the LinkedIn article, for a business with a mail room staff of 30 or more, buying outside services will result in a 5%–10% cost reduction.<sup>1</sup>

And the outsourcing savings don’t end in the mailroom. Using an approved print service provider or end-to-end providers allows a company to save on equipment costs and supplies.

For example, leasing high-end printers is an expensive proposition. A single high-volume printer/copier lease can cost up to \$25,000, and with maintenance and service agreements for aging printers, the cost really adds up.<sup>2</sup> Companies even rack up 30% higher energy bills due to inefficient printing.<sup>3</sup> No wonder that, on average, switching to managed print enables a large company to save 30% of its print budget. Leveraging the high-power, cutting-edge equipment of printing professionals virtually guarantees that a business can cut those costs without sacrificing quality.

Either way, overhead goes down without making concessions to capacity or quality.

<sup>1</sup>“2017 Hottest Trend: Outsourcing the Mailroom.” Evans, James, October 9, 2017.

<sup>2</sup>Bushnell, Mona, July 3, 2018.

<sup>3</sup>“Can Managed Print Services Save You Money?” Gilhooly, Kym, March 5, 2015.

<sup>4</sup>“FedEx Office Survey Reveals Enduring Preference for Printed Materials in Today’s Increasingly Digital Environment.” FedEx Office, April 26, 2018.

<sup>5</sup>“Managed Print Outsourcing — Comparing Investment Cost to Future Savings.” Diaz, Mario 2015.



## 85%

of business customers agree the quality of print indicates quality of service<sup>4</sup>

## 30%

cost savings in hardware, supplies and services over five years when an enterprise outsources print<sup>5</sup>

# Streamline Your Workflow

Flexible, turnkey services lead to nimbler, more-efficient companies.



## Maintaining brand standards

Working with an outside print provider with a fleet of color-calibrated equipment ensures that your brand identity stays consistent across any printed materials you create.

In today's ever-changing marketplace, flexibility matters like never before. Companies need to be able to turn on a dime to make the most of opportunities when they arise (and before they disappear). Outsourcing non-core business allows a company to make use of powerful, professional outside resources — on an as-needed basis and without breaking their stride.

## Leveraging technology, consistency and speed

When a company partners with an outside print provider, one major benefit is greater access to a wider variety of products and services. Instead of relying on in-house equipment, the business can leverage a wide array of professional-grade tools. This also means greater capacity for large, rapid-response, print-heavy jobs, without tying up on-site printers.

In addition, working with professional print services allows for greater color consistency. Logos and color

schemes stay the same across all documents and printed collateral. This solidifies brand identity and prevents costly reprints; companies can rest easy knowing their products will turn out correctly the first time.

It's not just a matter of capacity and consistency but speed as well. Working with print professionals decreases turnaround times and results in promptly printed products. The more intuitive order systems require less employee training to use, further reducing bottlenecks and wait times.

And professional parcel management services contribute a wider variety of offerings. Depending on an organization's needs, local courier services are available for moving time-sensitive items door to door within hours. This allows a business to react sooner to market forces — a priceless competitive advantage.

# Freedom to Focus on What You Do Best

Outsourcing print and parcel management lets a business dedicate itself to core competencies.

Think about the things that make your company exceptional. What makes your company stand out? What level of excellence could your company achieve if these pursuits could take center stage?

Using outside providers can free up focus. Approved print providers will be able to connect a business with advanced systems to better manage assets and ensure correct logins and permissions, leading to greater peace of mind for companies and customers alike.

## Expand creativity and dependability

In addition, by making use of outside resources, companies are able to offer their creative teams more freedom. Instead of facing the limitations of an in-house print shop, a marketing department working with an approved preferred service provider (PSP) or end-to-end provider can now make use of a variety of printing styles, binding and specialty finishes. This enables creative types to realize their vision: producing the best possible products for the company without being constrained by the equipment on hand.

When it comes to parcels, the business that outsources no longer needs to operate in the capacity of receiving, sorting and holding packages. In fact, an outside provider can offer additional handy services, such as internal tracking, which allows a company to instantly see when a package is received and who has received it. By leaning on professionals, a company can take the guesswork out of parcel management, ensuring greater transparency and peace of mind for the recipients, and that means creating a better customer experience without lifting a finger.



*"Our marketing team was able to design more immersive, successful experiences when we decided to have an outside source print our displays. There were just more options to choose from."*

— Senior marketing manager,  
retail services



# Assess Your Current Services

How does your business rate when it comes to efficiency?

## Clearly, efficiency matters

By minimizing waste, streamlining the buying process, maximizing resources, and staying on top of technologies and innovation, companies naturally become more efficient and can direct more focus toward doing what they do best.

Still, change can be daunting in the beginning. Sometimes it's hard to know where to take the first step. That's why there are free assessment services designed to help a company pinpoint potential areas of improvement in their operations.

To learn whether your business would benefit from outsourcing your print, mail and/or parcel services, request a FedEx® OnCampus assessment. This free consultation explores where your company currently stands in comparison to recent industry standards and helps you identify and address any performance gaps.

A FedEx OnCampus assessment examines document management, mailroom and parcel management — receiving, screening, sorting, processing, staging, notification, distribution — as well as technology infrastructure, including current equipment and



software. At the end of the assessment, FedEx Office recommends comprehensive solutions, including detailed plans for implementation, technology integration, customer service engagement, internal marketing, ongoing operations and continuous measurement.

In the meantime, if you're printing over 5,000 pieces a day or handling a steady influx of parcels, consider taking the first step today by using our free custom Print and Parcel Management Efficiency Evaluation. This simple tool can help you identify opportunities in your business printing and parcel management services, and will share ideas on how to streamline your processes.

► How efficient is your business? Take a free assessment today at **[fedex.com/efficiency](https://fedex.com/efficiency)**.