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Epson partners with Rectron to intensify focus on SMEs

"Epson is an affordable leading brand that will add value to Rectron's reseller channel"

Epson South Africa has appointed Rectron, the leading information and communications technology (ICT) distributor, to distribute a wide range of Epson products, with a specific focus on South Africa's small to medium enterprises (SMEs).

The distribution agreement covers Epson projectors, scanners, dot-matrix printers, multi-functional peripherals (MFPs), inkjet and photo inkjet printers, print consumables and other supplies.

"Our plan is to expand Epson into the SME space, and Rectron fits the profile in this regard," says Hans Dummer, general manager of Epson South Africa.

"The expansion of Epson in the mid-range of our consumer products is attractive to Epson, as well as the national foot print that Rectron has. In particular, their focus on our business inkjet range of products will give the reseller market both an opportunity to manage their margin mix and also offer the SME market a real long-term business opportunity."

Cheslynne Britz, general manager at Rectron, reports that research house Gartner has identified emerging regions as the growth focus of the worldwide printer, copier and MFP markets. Britz believes that -- working alongside Epson -- Rectron has the muscle to be a major driver for high levels of growth in southern Africa as one of these emerging markets.

Paradigm shift

"In addition, we see a paradigm shift from laser printing to inkjet printing," she adds. "Since Epson is the clear market leader when it comes to inkjets, their technology and expertise makes them the perfect vendor for Rectron -- which is very strong in the SME space -- to partner with."

Britz maintains that Epson's strengths in the photo printing arena hold clear benefits for Rectron's wide-ranging client base.

"For example, Gartner states that Epson 'put in the best performance' in the US market last year, with an incredible 41, 4 percent increase in serial inkjet shipments, as it introduced numerous new photo serial inkjet MFPs," she says.

"With everyone moving to the paperless office environment and investing in document software, we see that large growth will come from photo imaging, which will lead to increased demand for the photo range of printers."

Besides the corporate environment, the partnership between Epson and Rectron also focuses on more specialised areas, such as retailing. "Epson is very dominant in point-of-sale (POS) and dot-matrix printing," says Britz. "These will never die as these printers are built around customised environments where only such specialised printers can be used -- so we will be offering these to our customers as well."

Augurs well

Britz contends that with the South African economy under increasing strain, consumers and corporates are watching their spending, but she believes this augurs well for the partnership Epson has formed with Rectron.

"Since our customers are looking for bargains, they are not spending their money on expensive brands," she explained. "They prefer to invest in products from value-for money technology leaders like Epson. We realise, therefore, that we will be able to steal other people's lunches to maintain our growth and keep strong and competitive in the market."

To gain more momentum in the peripheral business, she says, Rectron will consequently continue concentrating on growing the depth of the products it distributes. Key to this strategy is the company's belief that it should drive the "usage experience" of consumers, and not weigh them down with expensive technology.

In this segment of the market, for example, Rectron is therefore looking to offer the best solution to its customers' printing needs, from inkjet printing and photo printing to business inkjets and All-in-One (AiO) printers. "Technology drives innovation," Britz said. "By partnering with Epson -- as a superb leading brand that will add value to our reseller channel -- we will tap into a much wider market."

Channel benefits

According to Jean-Pierre de Villiers, Epson product manager at Rectron, the channel will see untold benefits from the partnership. "Our relationship gives our channel and dealers the opportunity to make more margin and profit when selling printers," he explains. "It also gives them peace of mind when selling Epson, as they know that the products are backed up with quality support and service."

De Villiers points out that Epson has a very good reputation in after-sales service and support. "Epson is therefore the perfect fit within our channel," he says. "One of the biggest things we wanted to consider in partnering up with someone was after-sales service, and the fact that we want to distribute the consumables as well. This is quite a different approach from any previous one, where we were only creating a customer base for other people to sell more consumables to. It seems like Epson is the only vendor that did not overcharge customers on consumable products"

The distribution agreement is effective immediately, with all Rectron's regional offices – in Cape Town, Bloemfontein, Durban and Port Elizabeth -- keeping Epson inventory in their warehouses.