



THE TRADITIONAL OHP

— still going strong?

BY JANE SMITH

As with all things inevitable, it is inevitable that eventually the audio visual market will also end up being multimedia. But for now we should not forget the traditional OHP and how it is still relevant in, what is, still a growing and healthy, presentation market.

We spoke to 3M Visual Systems who manufactures both overhead and multimedia projection systems. According to Pen Terrell, product manager, there are no identifiable choice trends. "In the recent belt tightening period, corporate companies have been investing more in portable overhead projectors, obviously a budgetary decision" she commented.

"If the delivered message needs to be dynamic and colourful, perhaps including video, then choose multimedia for a really impressive full colour, whizzy presentation. If your presentation is static and you have less slides to show, such as a few sales charts for an internal meeting, an overhead projector would be more appropriate — it is much easier and quicker to set up.

"Research confirms that over 50% of meetings have more than one meeting medium and overhead projectors still remain the most popular. It is common to run an overhead projector alongside multimedia, maybe showing an agenda all day helping to keep presenters on time check, whilst individual presenters use the multimedia machine. Feedback from our customers reveals that multimedia and overhead systems tend to be complementary rather than competitive".

So that's why manufacturers are still investing in traditional OHP machines.

With the increasing emphasis on style and ergonomic design of workspace, office equipment product design becomes more and more critical. Over the past few years we've seen the big black or grey bulky box like designs give way to sleek, stylish and slimline machines with much improved added value features and thoughtful extras.

YOUR OPPORTUNITY

Well perhaps the most obvious one is the consumables! With such a high installed base of machines there's going to be an ongoing need for the film. Find out if your customer has got a machine then look to see if you've got the film business. The principle's the same as with printer consumables. And the margin will be better too.

Don't forget when you're talking to your customers about their presentation needs that you can offer a greater choice. With such a range of classy portable OHP's around you don't have to stick to selling the multimedia solutions. Ask them which they'd prefer.

With the traditional OHP market now mature, manufacturers are looking towards the long term business potential of multimedia machines and there have been a number of new entrants to the category. Street prices have fallen to a point where multi-media projectors are affordable and not considered a capital expenditure item and this has opened up the market to less wealthy sectors such as education and national health as well as the small business sector. Compatibility with PCs is no longer an issue either — they are considered plug and play And lighter and brighter, the multi-media projectors of today are highly portable and many models can be used in natural light environments

In July we spoke to expert, Paul O'Reilly, Product Manager for Steljes Trade a leading AV Distributor and reported on the size of the market and how you could get the most out of the sales opportunity. As well as Paul and Pen at 3M we've also spoken to other leading players such as Panasonic, In focus, Mitsubishi and NEC. Everyone is in agreement that the market is forecast to grow significantly, albeit that prices will continue to fall.

In volume terms the UK market for 2003 is projected at over 150,000 units with a forecast for 2004 of 200,000 units and by 2006 of over 300,000 units. In

In terms of product types the easiest way to remember how the product range splits is to use this:

EDUCATION — these are mainly value offerings with basic features

BUSINESS — usually mobile solutions feature rich and portable

CONFERENCE — larger, more flexible machines

In terms of product development the most important features soon to hit the market are networkable and wireless.

Networked projectors are connected to the network and have an IP address. This means that they can be controlled remotely and IT managers can solve issues from a remote location. This is particularly useful in large corporate environments with a number of conference rooms all using this kind of equipment on a regular basis.

Like the computer, wires are a pain! More projectors now, especially the mobile units are WIFI capable and can now be used with WIFI PCs and PDAs therefore no cables — hooray!

value terms even with a decline of 5% in 2004, the UK market will be worth a staggering £236M

The market segments in to four main categories: Corporate Display, Institutional, Public Display and Home Display. The Corporate segment accounts for 54% of the market and Institutional 31%. That's where the opportunities lie, although home use is set to grow significantly.

There are no direct consumables for a multi-media projector but their closest cousin would be the interactive whiteboards. These have been well developed in education and are starting to gain momentum in the corporate market.

Finally in terms of 'new' stuff. Well, look out for the super-light sub 1kg projectors. These are set to hit the market about now aimed at the mobile professional to sit alongside the laptop. In fact they will both fit in one single case! Yippee if your have to go out and about presenting like me!

The opportunities for you? Endless I'd say, but be careful not to muddle % margin with cash margin on this type of product. They're a high-ticket item so even a 20% margin is attractive. That's £200 on a £1000 machine. How many paperclips or lined pads is that! Use current sales to identify gaps — who's buying presentation products already? Target them with some literature and a promotion. ■

SUPPORT

There's plenty of it about!

Get your supplier involved. Whether you're using an OEM distributor like Steljes, or 3M, you'll find that there is superb support available. If you've identified and qualified the customer's need then any of these companies will happily send one of their own experts in to the customer alongside you to close the sale.