Case study

# Health insurance providers rely on genuine products

## Error rates are much lower with Original HP Supplies than alternative products

**Industry**
Healthcare

**Objective**
Ensure the reliability of the printer fleet and quality of printed documents whilst reducing maintenance costs

**Approach**
Open tender for toner cartridges with defined quality criteria in terms of page yield (per ISO standards), regular quality control checks and printer fleet tracking. Decision to use 100 per cent genuine HP products

**IT matters**
• Integration into the existing ordering solution and automated delivery and documentation processes. Customer manages tenders and operates IT systems on behalf of health insurance providers and so must also take additional follow-up costs into account

**Business matters**
• Decision to use 100 per cent Original HP Supplies in order to avoid the risk of alternative products increasing maintenance costs

• The overall costs are not only determined by the initial purchase price of the toner cartridges, but also by factors such as page yield, reliability, print quality and device maintenance costs



**IT|S|care**
IT-Services
für den
Gesundheitsmarkt

> **"Price is relative. Our decision to continue using Original HP Supplies also took into account the fact that these products are exceptional reliable and keep maintenance costs lower."**
>
> — Rudi Weber, Decentralised Systems CC Decentralised Hardware department, ITSCare

### ITSCare delivers improved efficiency and lower error rates with Original HP Supplies

ITSCare's customers demand high quality, reliable consumables at a reasonable price. This is why the company uses 100 per cent Original HP Supplies, guaranteeing its customers' printer fleets work reliably and produce high quality documents, with exceptionally low error rates compared to cartridges from third party suppliers.

# Less than one per cent printer error rates when ITSCare only used Original HP supplies.

## Challenge

### Evidencing quality and reliability

ITSCare is a large IT service provider for the general health insurance providers (Allgemeinen Ortskrankenkassen, AOKs) for the German states of Hessen, Baden-Württemberg and Rhineland-Palatinate/Saarland. The Frankfurt based company employs 600 people. As a reliable network, hardware, software, telecom and data centre operation specialist, the company's responsibilities include processing and storing the social data of the AOKs' approximately 6.6 million policy holders. It also manages its IT infrastructures and fittings and provides applications. Reliability and quality are incredibly important to the AOKs' reputations, even when it comes to something as simple as printing. Which is why ITSCare has long been using Original HP Supplies in its printers. The company's prior experience with Original HP supplies had been so positive that they now intend to use only genuine products, with nothing coming from third party suppliers. "This decision is mainly down to process related factors such as quality, reliability and page yield, but the ability to integrate the products into our ordering system also played a key role," says Rudi Weber, Decentralised Systems department, ITSCare.

The figures were convincing. Original HP Supplies had an error rate of less than one per cent over the previous three years, which is an excellent result when you consider that the company orders 5,500 products annually. The error rate for alternative products was considerably higher.

## Solution

### High performance, low error rates

Since 2011, ITSCare has been using a system that monitors its customers' entire printer fleets. It gives Weber precise information about which devices are running well. Over the years, it has shown that the devices using Original HP Supplies perform much better than those using toner cartridges from third party suppliers. For this reason, the company decided not just to focus on price in the open tender, but also on criteria such as print quality, reliability and page yield as per the international ISO standards.

The company's tenders are governed by public procurement law. However, it did not want price to be the main factor in its decision. It also wanted to minimise the risk of buying lower quality products that would cause problems down the line. "Price is relative. For us, it's also important to avoid higher maintenance and repair costs arising from using less reliable toner cartridges," explains Weber.

It is difficult to put a figure on the effect higher maintenance expenditure on faulty devices would have on the business and its customers. Unlike many other companies, ITSCare considers subsequent costs during the purchasing process as it both purchases the devices and provides follow-up services. Many other companies do these things separately. However, this does not mean that it has a free pass to demand higher prices for better quality products. "Price is still a very important factor – if products cost too much, our customers complain," says Weber.

## Customer at a glance

**HP solution**
• HP Original Supplies

In previous years, ITSCare had not relied entirely on Original HP Supplies. Around ten per cent came from alternative suppliers. The results generated by the tracking platform led to the company's decision to move to only genuine products. "We pull all of the information and figures from the printers and compare them – from page numbers for individual devices to error messages and the number of replacement cartridges ordered." Another important factor to consider is that alternative products are often not subject to testing under the ISO standard for page yield, so the volumes stated may not be correct.

The customers order their consumables automatically via a portal solution using the information from the tracking system. An order is generated each time a printer's toner drops below a certain level. It was therefore also vital for the company to be able to integrate the products into its shop system. The consumables are delivered directly to the device via a print partner. "The largely automated ordering and delivery process and optimised supplier catalogue has enabled us to streamline our processes dramatically," says Weber. And the tracking system offers another benefit in that it enables ITSCare to optimise the AOKs' printer fleets. If a printer is too small and the load is too high for it to work efficiently, it can be replaced. Similarly, if a printer is rarely used, it can be replaced with a smaller device. "We work really well with HP on this, we only have positive things to say about them," says Weber.

## Benefits

**Improved reliability and lower costs**
By using 100 per cent Original HP Supplies, ITSCare can guarantee its customers' printer fleets work reliably and produce high quality documents. Error rates for the genuine products are incredibly low at less than one per cent over three years, with over 5,500 products purchased. The rates for alternative products were much higher. ITSCare takes a consistent approach when assessing costs: it not only considers the initial purchase price of the products, it also takes into account the costs over the entire lifecycle of the printer hardware, including maintenance and servicing.

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